Building Trust and Bridging the Divides:

Government, Social Capital, and Ethnicity in Papua New Guinea

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No other person's work has been used without due acknowledgement. This thesis has not been submitted for the award of any other degree in any other tertiary institution.

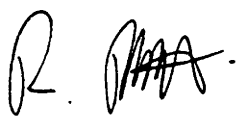

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TABLE OF CONTENTS

ABSTRACT

A frequent question asked by policy-makers worldwide is what is it that makes government work well? The overall aim of my inquiry is to identify factors that make government institutions in Melanesia effective. In order to do this the experience of provincial governments in Papua New Guinea (PNG) over the past quarter of a century is used as a case study.

Civil society is often seen as a means of strengthening government. It may do this by providing interest groups that can effectively influence the formulation of policy, that can challenge and exert pressure on government to uphold standards of policy implementation. Furthermore civil society may act as one of several key checks and balances crucial to the consolidation of strong government. Where this influence is based on broad participation it is believed to encourage 'values and behaviour' necessary to maintain democratic government institutions. In recent years social scientists have been increasingly referring to society's confidence in its institutions as the stock of 'social capital'. Generally the term 'social capital' is used to refer to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions. There is now significant quantitative and qualitative evidence, from a number of studies, to show that the level of trust and norms of co-operation, crucially impinge on the effectiveness of government institutions

It is often assumed that less developed societies are much less likely to be characterised by a strong civil society given the importance of "personalistic patronage style relationships" and the significance of ethnic associations. However, it may be argued that all kinds of associations should be considered part of civil society as long as they connect individuals, build trust, encourage reciprocity and facilitate the exchange of views on matters of public concern – economic, political, cultural and social. The population of PNG speaks more than eight hundred languages and live in small-scale, decentralised communities. These often isolated communities were bound by kinship connections, a common language and communal landholdings. One of the most important characteristics of social capital in PNG has therefore been the "bonds" that

exist within these communities. This research shows that the distinctive character of social capital in PNG has had a significant impact on the development performance of the provinces.

Development efforts in PNG have been traditionally dominated by the National and Provincial governments. However this research shows that the development performance of the provinces cannot be explained purely in terms of the performance of the respective provincial governments. Rather, an examination of the available evidence suggests that the nature of civil society and social capital in PNG has had a much more profound impact on development over the longer term. It is therefore recommended that development policies, and strategies in PNG rather than focus on narrow "performance" issues need to take into account the specific characteristics of civil society and social capital.

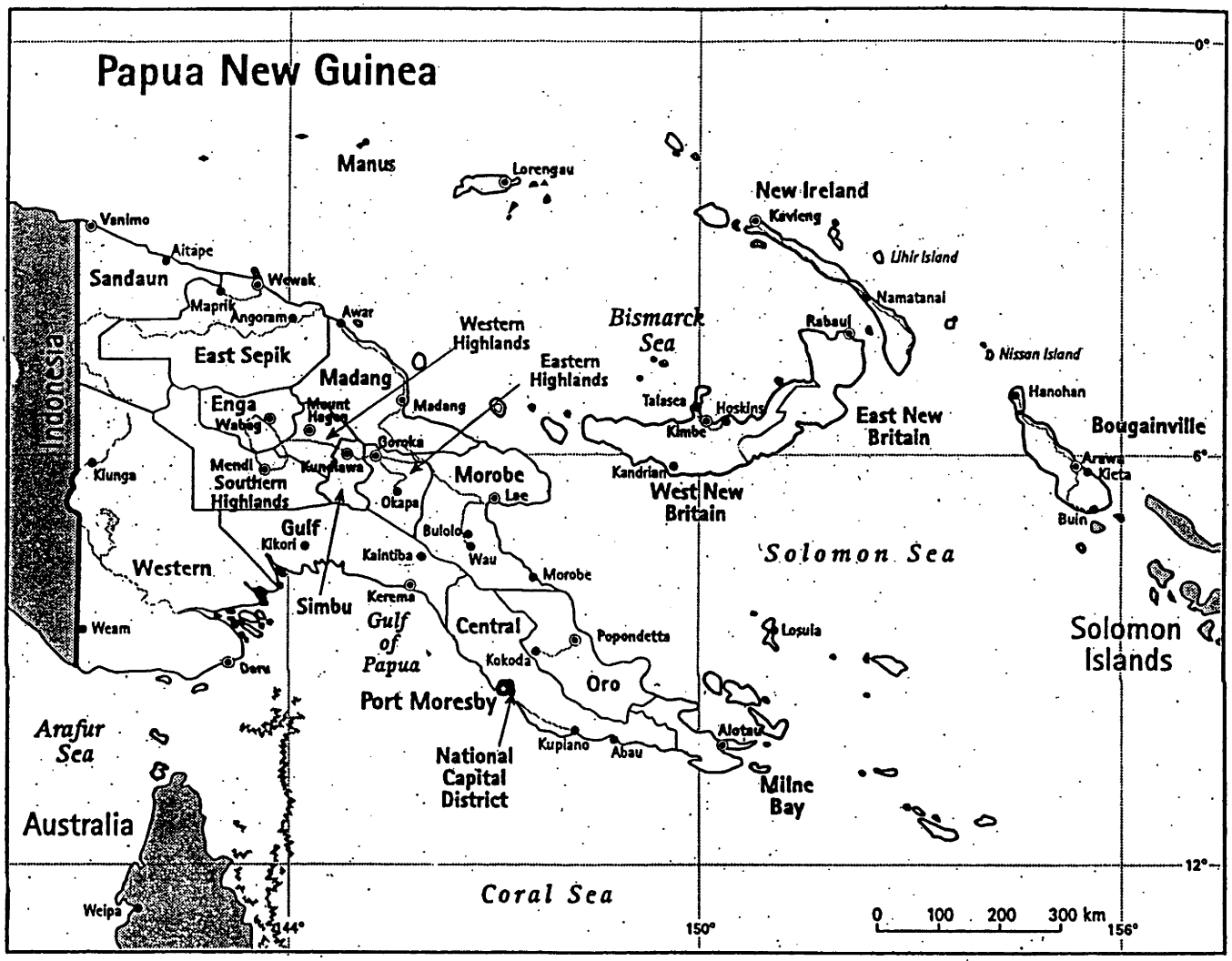
LIST OF FIGURES

LIST OF TABLES

LIST OF ABBREVIATIONS

AusAID	Australian Agency for International Development.
CBO	Community Based Organisation.
CDI	Community Development Initiatives Foundation.
CHS	Church Health Services.
CIMC	Consultative Implementation and Monitoring Council.
DED	German Development Service.
EBC	Evangelical Brotherhood Church.
EHP	Eastern Highlands Province.
EHPAC	Eastern Highlands Provincial Advisory Committee.
ENB	East New Britain.
ENBSEK	East New Britain Social Eksen Committee.
INA	Institute of National Affairs.
NEC	National Executive Council.
NGO	Non-government Organisation.
OLIPPC	Organic Law on the Integrity of Political Parties and Candidates.
OLPG	Organic Law on Provincial Government.
OLPGLLG	Organic Law on Provincial Governments and Local-Level Governments.
PEC	Provincial Executive Council.
PHF	Pacific Heritage Foundation.
SDA	Seventh Day Adventist Church.
UNDP	United Nations Development Programme.
WWF	Worldwide Fund for Nature.
YWCA	Young Women's Christian Association.

MAP OF PAPUA NEW GUINEA



Source: Economic Insights Pty Ltd, 1999. *The Economy of Papua New Guinea – Macroeconomic Policies: Implications for Growth and Development in the Informal Sector,* International Development Issues No 53, AusAID, Canberra, p.iii.

Gulf Provincial Administration offices following the arson attack in March 2003.

East New Britain Administration offices.

CHAPTER 1

INTRODUCTION

'The problem with these Pacific states is not so much that they are prone to falling apart, but rather that they have never really been put together.'[1]

1.1. Introduction to the problem

In the late 1980s I worked as an Economic Planner for the Solomon Islands Ministry of Provincial Government. I was seconded to the Western Provincial Government where I had a unique opportunity to experience the functioning of decentralisation in a Melanesian country, and the potentially important role of local level government. Following this I worked in a large statutory authority in Papua New Guinea (PNG) which was well resourced but unable to deliver the service for which it was responsible. More recently I worked in a government department in the Fiji Islands, and which has been the subject of an institutional strengthening project. Although the Department has received considerable inputs of resources, and technical assistance, it seems that little progress has been made in terms of improving its effectiveness. Recently in March 2003 the main offices of the Gulf Provincial Administration in PNG were completely destroyed in an apparent arson attack. The reasons for the fire are widely known although no one has been brought to justice. However the underlying causes for the act are far less well understood, and relate to a high level of mistrust in the community and especially between the population and the provincial administration. This situation can be compared with the relatively higher level of trust between the community and the provincial administration in East New Britain. My experiences working in Pacific Island countries have led me to ask the question what makes a government institution effective?

The overall aim of my inquiry is therefore to identify the factors that make a government institution in Melanesia, but in particular PNG effective. In my analysis 'institution' refers primarily to those organisations that comprise the public sector, and includes statutory bodies. In order to do this the economic, and political history of Melanesia over the past decade is briefly outlined to show that institutional strengthening, based on western social and economic concepts with its emphasis on 'efficiency' has failed to produce the anticipated benefits. As a result the 'effectiveness'

of the state structures continues to decline. Here I use these terms to mean that 'efficiency relates to the time and resources required to produce a given outcome; effectiveness relates to the appropriateness of efforts undertaken to the production of desired outcomes.'[2] The United Nations Development Program (UNDP) refers to effectiveness in that it 'requires competence; sensitivity and responsiveness to specific, concrete, human concerns; and the ability to articulate these concerns, formulate goals to address them and develop and implement strategies to realise these goals.'[3] While efficiency may be considered relevant in assessing these programs the focus here is on effectiveness, in terms of national wellbeing and in meeting peoples' real needs. The future development outlook for Melanesia appears bleak, and a major re-appraisal of the performance of government institutions is urgently required.

Pacific islands culture is diverse, and the region is most often divided into Polynesia, Micronesia and Melanesia. Melanesia is by far the largest major cultural group accounting for about 75 percent of the total population embodying great diversity but with some shared social characteristics.[4] It is generally recognised that the countries of Papua New Guinea (PNG), the Solomon Islands, New Caledonia, Vanuatu, and the Fiji Islands constitute Melanesia. The focus of my research is primarily on PNG as a case study, but its experience should be applicable to other Pacific Island countries.

The economy of Melanesia has been well researched over recent years, but the relationship between its economic development strategies, and political and institutional processes, is less well understood. Overall, despite its abundant natural resources, and low level of absolute poverty, it has failed to establish itself on the path to long-term sustainable development. Unfortunately the Pacific's experience with structural adjustment and institutional strengthening is fairly recent; hence there is a lack of data on the actual economic and social impacts, and the outcomes. PNG has been the subject of a World Bank and International Monetary Fund (World Bank-IMF) Structural Adjustment Program following an economic crisis during 1994, which, amongst other economic effects, produced a 30 percent depreciation of the currency. The Solomon Islands Government commenced its own Policy and Structural Reform Program (PSRP) with assistance from the Asian Development Bank (ADB) in the late 1990s. Fiji initiated its Economic Reform Program (ERP) following the military coups in 1987; the

subsequent balance of payments problems, and the program, share many similarities with programs initiated by the World Bank-IMF. In 1998 Vanuatu initiated its Comprehensive Reform Program (CRP) also with support from the ADB. Each of these programs has had its particular degree of country ownership. PNG has previously embarked on reform programs (for example the Structural Adjustment Program of the early 1990s, following the closure of the Bougainville Copper Mine, and the adjustment measures during the 1981 reform program) but rarely has it been able to effectively achieve the desired outcomes. The Fiji Government continues to reaffirm its commitment to the Economic Reform Program, but 'it can be argued that the performance of Fiji's economy between 1989 and 1992 demonstrated some fundamental strategic weaknesses that adjustment did nothing to address.'[5] The Solomon Island's reform program came to an abrupt end with the coup in June 2000.

The Melanesian countries generally have had limited experience with adjustment and reform programs supported by the World Bank-IMF because 'macroeconomic imbalances generated through external and domestic shocks and fiscal laxity have in the past been attenuated through aid receipts which the islands are fortunate enough to receive in relative abundance.'[6] This situation has changed significantly as the traditional aid donors trim back their bilateral aid programs in the region.[7] Dependence on conditional overseas multilateral aid funding (mostly in the form of loans) is increasing in the Melanesian countries, whether it is from the World Bank, the IMF, or the ADB. These loans have come with ever increasing requirements, and to a large extent it appears that economic and social policy is now being decided by these international lenders, rather than by the recipient governments. This may undermine the economic and social policy priorities preferred by national governments.

Structural Adjustment Programs (SAP's) are defined here as those programs which relate to the policy of tying aid to reforms in domestic economic and social policy. Development aid has been traditionally based on a premise that developing countries do not grow because they lack financial resources; however the structural adjustment programs traditionally provide substantial payments from the lending institutions on condition that the recipient governments undertake some specific domestic, economic, and financial policy reforms.

Early structural adjustment programs focussed on the goods-producing sectors of agriculture and industry. Subsequently programs were expanded to deal with more complex issues in the social sectors, such as education, health, water supply, food security and subsidies. Most recently, during the 1990s, structural adjustment programs have been further broadened to include institutional reforms, and there seems to be general agreement on 'the proposition that the nature and performance of public sector organisations are critical elements in determining developmental success.'[8] Both the World Bank and the IMF have now developed guidelines regarding 'good governance' issues based on the assumption that 'reducing the size of the state and restricting the operations of the state would bring considerable savings. Programmes to increase bureaucratic capacity and efficiency and to encourage private sector growth through market mechanisms would then ensure that development would take place.'[9] Institutional strengthening was seen as 'the process of improving an institution's ability to make effective use of the human and financial resources available.'[10] However 'effectiveness' has been used interchangeably with 'efficiency'.

The New Public Management (NPM), based on the latest principles in private sector management was transferred and the dissemination of this model to developing countries was undertaken by influential multilateral financial institutions such as the World Bank and IMF. An important component of the focus on good governance is the 'institutional strengthening' of key government agencies. Differences in the performance of public sector organisations are usually obvious and it is generally recognised that they have clear effects on development. However, what might explain those differences? The 'New Institutionalism' in economics and political science has emphasised the importance of formal and informal rules, but are there 'universal rules' for effective organisations?

Historically, the Melanesian countries have been the recipients of substantial aid flows, but overall their recent economic growth performance has been poor. For example, Fiji has achieved an average annual growth rate of a little over 1 per cent per annum since independence in 1970.[11] Partly as a result of the overall failure of traditional bilateral aid, assistance to the Melanesian countries is being increasingly tied to domestic

reforms. There is now a view that 'the manifest lack of enthusiasm for policy reform in the islands is a function of the level of aid flows into the region. Aid underwrites the external sectors, and finances the bulk of capital budget expenditures in the island economies. There is still, even now, an expectation in these countries that aid receipts will continue to grow in real terms, certainly in the medium term. It is often argued that that this comfortable scenario enabled island governments to postpone or avoid much-needed policies for adjustment and reform.[12]

1.2. Justification for the research

Some Western policy advisers have speculated about the powerful ways in which sociopolitical and cultural factors can impact on development in the Melanesian countries. In particular culture is most often referred to in a negative way to portray elements of traditions that are harmful to the practice of good public sector management.[13] The effectiveness of the traditional structural adjustment program is very much dependent upon the effectiveness of the public policy agencies within the implementing government. This is now recognised with the introduction of institutional strengthening. However, generally, institutional strengthening projects focus on the process of increasing the 'capacity of institutions to perform their functions.'[14] Institutional strengthening is very much about capacity building and organisational structure, but how transferable are institutions? Will an 'effective' organisation in a particular economic and sociopolitical context necessarily produce the same outcomes in a different context? A key issue that needs to be addressed is whether it is realistic to model institutions in these Melanesian countries along the same lines as similar institutions in the developed 'western' economies and

> although the air-conditioned, high rise accommodation of public service agencies in some developing countries may appear to divorce them from society, organizations are not closed technical systems. They are necessarily involved in multiple relationships with other organizations and individuals. Complex webs of relationships are thus woven and have profound effects on the operation of organizations.[15]

There is evidence of an inherent incompatibility between the World Bank-IMF

development model (a model which incorporates the market economy characteristic of the advanced western economies) and the circumstances of these Melanesian countries. The traditional economic systems of Pacific Island countries are extremely diverse; they are for a very large part built upon non-market transactions such as redistribution and reciprocal exchange. In particular the social relationships of kinship, rank and community are primary and the flow of goods and services are often merely part of these complex relationships.[16] It is often argued that the prospects for effective government depends on the level of economic and financial resources, but it is also clear those cultural and social factors affect the performance of institutions. The question of why some countries are more successful than others in managing to develop their economies, and establish democratic government is still a pressing puzzle, which decades of exercises in cross-country econometric analysis has not been able to solve. It is apparent that the issue is not the amount of sheer resources pumped into a country, but the existence of certain conditions for resources to be channelled effectively into priority goals.[17]

Robert Putnam in *Making Democracy Work: Civic Traditions in Modern Italy* provides an array of evidence from his Italian analysis to argue that good governments were found where civil society was most developed. Those regions without this 'social capital' - in his study, the regions of Southern Italy (with a few exceptions) - could do little about it, and 'some regions of Italy, we discover, are blessed with vibrant networks and norms of civic engagement, while others are cursed with vertically structured politics, a social life of fragmentation and isolation, and a culture of distrust. These differences in civic life turn out to play a key role in explaining institutional success.'[18] Putnam seeks to identify the factors, which account for the differences in performance, and to 'explore the connection between economic modernity and institutional performance. Even more important, we examine the link between performance and the character of civic life - what we term 'the civic community'. As depicted in Tocqueville's classic interpretation of American democracy and other accounts of civic virtue, the civic community is marked by an active, public - spirited citizenry, by egalitarian political relations, by a social fabric of trust and cooperation.'[19] Putnam identifies three possible reasons for explaining government performance - institutional design, socioeconomic factors and socio-cultural factors. Although he found a general

association between performance and socioeconomic factors, his major finding was that socio-cultural factors seemed the most important explanation for government performance.

In recent years political scientists have begun referring to society's confidence in its institutions as the stock of 'social capital'. UNDP now recognises the importance of social capital and defines it in terms of the 'features of social organisation - such as networks and values, including tolerance, inclusion, reciprocity, participation and trust - that facilitate coordination and cooperation for mutual benefit. Social capital inheres in the relations between and among actors.'[20] Similarly the World Bank defines social capital as 'the informal rules, norms and long-term relationships which can explain differences in the nature and intensity of popular collective activity in different communities or nations.'[21] Social capital therefore refers to two sets of issues; on the one hand to the norms, values and traditions which promote cooperation and on the other hand to networks, relationships and organisations that bring people together to try to promote development. I adopt the broadest view of social capital, which includes the social and political environment that shapes social structure and enables norms to develop. Social capital is now generally recognised to be as important as human capital and natural resources, and 'despite limitations of proxy indicators for social capital, the patterns of results which emerge point to the importance of cross-cutting ties across social groups for engendering co-operation, trust and social and economic well being and better government performance.'[22]

More recently it has been recognised that there is 'good' and 'bad' social capital and the role of social capital, as a characteristic of ethnic groups has become a focus. Collective ethnic identities can have great social value. Ethnic groups can defend their members' property rights, help members mobilise to build local public works, promote human capital by securing investments in education for their members, and help overcome obstacles to collective action. In these and other ways ethnic identity can help to build trust and social capital between people in a given ethnic group. But it can also undermine social capital in society as a whole. Although ethnic identity helps members of the same ethnic group work together for common goals, the goals they work toward might not be beneficial for society. Rather than encouraging public goods production

that benefits everybody, groups might instead find themselves in conflict with one another for scarce resources. In this way ethnic groups might actually reduce a country's social capital by undermining trust between groups and reducing the effectiveness of government institutions.[23]

There has emerged literature investigating social capital as a contributor to economic growth in Asia. John Helliwell in *Economic Growth and Social Capital in Asia* undertakes a preliminary investigation of the role of social capital and institutions.[24] However the various measures of social capital and institutional quality tested were not found to add explanatory power. Helliwell suggests this is because of the shortage of comparable data for the Asian economies. In contrast Stiglitz in *Some Lessons from the East Asian Miracle* attributes the high economic growth rates in the East Asian economies, relative to other parts of the world, to particular government policies which "provided an enabling environment, characterized by institutional arrangements and organizational designs that enhanced efficiency, exchange of information and cooperation between government and industry... (This case) displays an aspect of social capital and its contribution to economic growth."[25]

Tendler shows that civil society is not an unmitigated good. She found in her study that important fractions of it perpetuated poor government, while others were pressuring effectively for better government. When local civil society played a role in bringing about better government, it was sometimes because central government had made it possible for alliances to form across the government – civil society divide. This enabled reformist fractions of civil society to unite with reformist fractions within government, sometimes at both the local and central levels.[26] Overall Tendler's research reveals that civil society organisations can play an important role in improving the performance of local government.

Therefore it can be seen that 'several influential studies have focused on *social capital as a central element in social problem-solving*, but suggest its roots are buried in centuries of cultural evolution (e.g. Putnam, 1993; Fukuyama, 1995). Other investigators suggest *that social capital can be created* to support political and economic development (e.g. Tendler and Freedheim, 1994; Fox, 1994).'[27] This is a

critical point that will be returned to in the concluding chapter. Clearly there are sociopolitical and cultural factors, which influence government policy decision making, and in my view the Melanesian countries are characterised by sets of beliefs, and customs, which render conventional economic analysis not necessarily applicable. Generally the cultural factors have been regarded as a hindrance to development but this view 'tends to lead to either a fatalism that nothing can be done against such an overwhelming force or that the removal of the cultural obstacle will necessarily lead to improved performance.'[28]

The specific aim of this research is therefore to evaluate the usefulness, or not, of the concepts of civil society and social capital in explaining the performance of government institutions in PNG.

1.3. Overview of the Study

To achieve the above aim, in this study the role, if any, of civil society and social capital in determining the performance of government institutions in Papua New Guinea is investigated. This introduces the concept of political culture or the set of political beliefs and values that prevail in a society at any given time. Political culture can be a major determinant on the performance of government institutions because 'those who have studied the problems of development have stressed that no political system can survive unless a certain harmony exists between the political practices, the rules of the game, on the one hand, and what people expect, what they recognize as legitimate, on the other.'[29] It can be argued that the prevailing cultural values and practices have influenced the functioning of the PNG political system.

A detailed explanation of the research design is provided in Chapter 5; however in undertaking this research the following approach is adopted:

- A thorough study is undertaken of the literature on the explanations for government performance with a particular focus on Melanesia and PNG;

- Case studies of three selected provinces are undertaken to investigate any significant relationship between civil society, social capital, government performance, and development; and

- A quantitative analysis is undertaken of the data across all nineteen provinces to replicate the Putnam methodology, and to analyse the relationships.

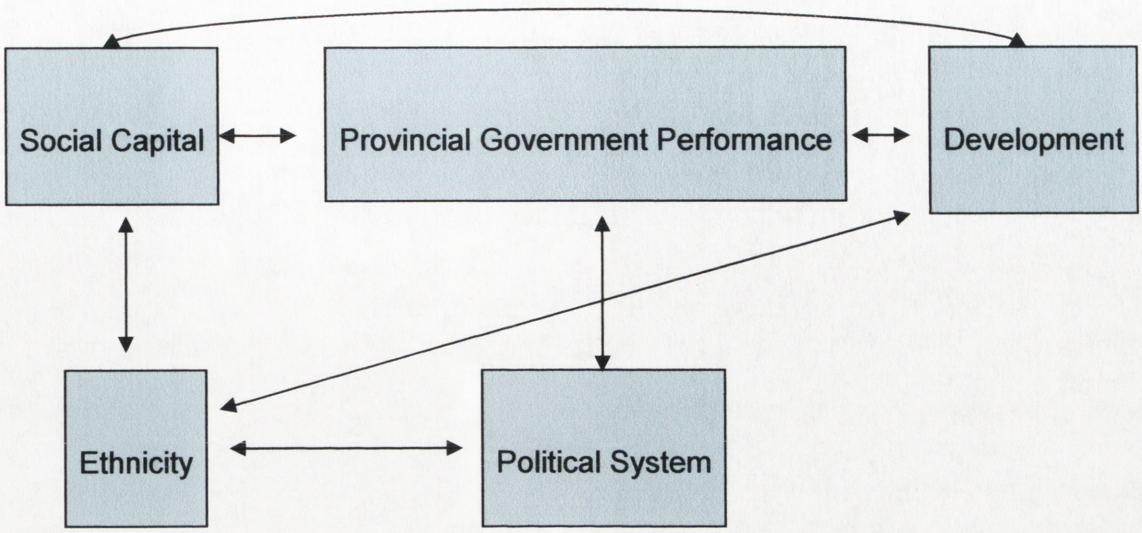
A model is therefore needed by which the evidence may be tested, to establish the extent to which the stock of social capital may be an important determinant of provincial government performance. To compare combinations of causes, the same general questions must be addressed in each case, the same concepts used and a similar methodology, with appropriate measures adapted to local circumstances.

The relationships between social capital, ethnicity, government performance and development are complicated and likely to be reciprocal. The starting point is a simplified model to help to illustrate the relationships. Causation is difficult to identify and the flows may in fact go in both directions. The relationship may be – from social capital through performance to development or from social capital directly to development. Furthermore there are influences from ethnicity and from the political system. Figure 1, below, illustrates these possible relationships which are the subject of this study.

I have chosen to use a combined quantitative and qualitative research design because my case study analysis is focusing on real-life situations, and embedded in a particular social and political context. In my research selected provinces are used as case studies to qualitatively investigate the roles of civil society and social capital as they may relate to provincial government performance. The context for the case studies is the 2002 National Elections in PNG, and the supplementary elections held in the Southern Highlands subsequently in early 2003. The reason for this is that the electoral contest in PNG provides a very good environment for observing social capital in the respective provinces.

FIGURE 1

Social Capital and Development



The 2002 Elections have been widely recognised as the most violent since PNG gained independence in 1975. The Government was reluctantly forced to call in armed troops for election security duty in the Highlands after the police were overwhelmed by politically inspired violence. By the close of polling around sixteen people died as a direct result of poll related violence. In the Southern Highlands tribesman stole ballot boxes, and in Enga ballot boxes were set alight. Supporters of a loosing candidate led a rampage at the Mount Hagen airport.[30] The elections were extended by two weeks as tribal tensions rose, and finally the elections were abandoned in most parts of the Southern Highlands. Throughout the Highlands tribes turned to cheating and violence to boost the election chances of there own clansman. For example, in Simbu Province Standish writes how

> candidates seek to ensure the unity of their clan or tribe, emphasising traditions of unity in peace and war. Since the first council votes in 1959 Simbu has had *"haus lain"* (village or clan) consensus based voting, in effect a clan-based pre-selection or pre-poll. Often in the past – when there were slightly fewer candidates – Simbu people have presented over 90 percent voting solidarity in ballot boxes. That means that at least 90 percent of all those in each polling place, men and women (and some children!), vote for the same candidate. Such block voting is an assertion of a clan's strength, but it restricts the freedom of choice of all, especially the married women – who were born into different clans.[31]

Chapters 6, 7 and 8 replicate Putnam's methodology in the context of provincial government in PNG. The available data at the provincial level are discussed, and some preliminary quantitative analysis of the relationship between social capital (the independent variable) and provincial performance (the dependent variable) is given. Statistically, the way in which we account for variance in a dependent variable (i.e. government performance) is to identify the independent variables to which it is related. Therefore a group of independent and continuous variables have been selected for this purpose, and correlation analysis is used here to describe the strength and direction (if any) of the linear relationship between two or more variables. Basically a simple correlation between two continuous variables, and therefore the Pearson product-moment correlation shows the direction and strength of relationships. Pearson correlation coefficients (r) can only take on values from -1 to +1. The sign at the front indicates whether there is a positive correlation (as one variable increases, so too does the other) or a negative correlation (as one variable increases, the other decreases). The size of the absolute value (ignoring the sign) provides an indication of the strength of the relationship. A perfect correlation of 1 or -1 indicates that the value of one variable can be determined exactly by knowing the value of the other variable. On the other hand a correlation of 0 indicates no relationship between the two variables.

Chapter 1 has introduced the research problem and explained why research on understanding the performance of government institutions in the Pacific Island countries is important. Chapter 2 provides the overall background to the problem by describing the traditional forms of governance in Melanesia, and the role of ethnic identities. The fairly recent advent of the ideas of governance and 'institutional strengthening' for development are discussed. Chapter 3 discusses the performance of governments in PNG, and with a particular focus on provincial government. Policies to improve the performance of government institutions are also discussed i.e. public sector reform. The importance of civil society and society's stock of social capital as a possible explanation for the performance of government institutions is the focus of Chapter 4. Here I discuss the concept of civil society and nature of social capital, the overall theory, and introduce the PNG context. Chapter 4 describes the research methodologies that may be applicable to analysing the relationship between social capital and government

performance, while Chapter 5 explains the approach in this study. Chapter 6 provides a qualitative study of the three selected provinces. In Chapter 7 the Putnam methodology is replicated in the context of provinces in PNG to test if social capital may explain some of the reasons for their development performance. If the performance of government institutions depends on the strength of social capital (i.e. Putnam) how does ethnicity impact on social capital in PNG? To what extent are other factors, such as the political process impacting on social capital? How is social capital different in PNG to the 'modern' nation-state? These questions are the subject of Chapter 8. Finally Chapter 9 discusses the results and examines the implications of the study for the theory, policy and practice.

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CHAPTER 2

GOVERNANCE, ETHNICITY AND THE NATION STATE

'From early colonial days central government, an imposed concept in the Melanesian context, was regarded as a foreign enclave, the legitimacy of which was sustained more by the weight of metropolitan backing and sanctions than by village need for a national authority.'[32]

2.1. Introduction

The issue of governance came to prominence in development studies and policy in the late 1980s, after a realisation that inefficient administration, and poor quality public policy, was major contributing factors in the failure in a significant number of developing countries to achieve long term sustainable development.[33] As a response in most cases structural adjustment programs now seek to 'strengthen' good governance in the recipient countries. The World Bank's definition of 'governance' includes public sector management, accountability, the legal framework and transparency in government decision making.[34] Governance is similarly defined by the UNDP as 'the exercise of economic, political, and administrative authority to manage a country's affairs at all levels, comprising the mechanisms, processes, and institutions through which that authority is directed. Good Governance is, among other things, participatory, transparent, accountable, and efficient.'[35] The essential elements of good governance as agreed by most donor organisations may be given as:

- a capacity within government to establish appropriate policies with an efficient, and accountable public administration to carry them out;
- democratisation and participatory development; and
- respect for human rights and the rule of law.

An important component of this focus on good governance is the 'institutional strengthening' of key government agencies. A review and analysis of the experiences with the first generation of structural adjustment programs in countries of sub-Saharan Africa drew attention to the central importance of the capacity (primarily institutional capacity) in a country to manage development on a sustainable basis.[36] However a

recent World Bank report found that the Bank had been mostly ineffective in pursuing reforms of government institutions.[37] The study looked at a sample of 124 loans approved in 32 client countries, as well as economic and sectors work from a sample of 11 countries, over the 1980-97 period. The results showed that only 33 per cent of completed interventions and 38 per cent of ongoing efforts achieved satisfactory outcomes and that these outcomes were often not sustainable. The study makes some recommendations to improve the Bank's performance in supporting institutional reform:

- develop a system of categorising interventions into three classes based on their primary objective (i.e. downsizing, capacity building or institutional reform) and standardise performance indicators in order to monitor impact;

- link capacity building interventions to job descriptions and monitorable performance of civil servants and their respective units;

- precede interventions with institutional assessments of administrative systems and design interventions as stand-alone projects, supporting them with lending instruments that allow adequate time for implementation;

- employ participatory processes to nurture reform constituencies in government, the private sector and civil society;

- use ongoing evaluations of civil service reform supported by other multilateral and bilateral donors as a basis to more clearly define the World Bank's strategic role; and

- explore the feasibility of promoting results-based management by supporting comprehensive civil service reforms in several pilot countries.

Of particular importance in the above recommendations was the recognition that the process needed to include the participation of civil society. Although aspects of institutional strengthening had been already incorporated into a broad range of projects after this time they became a particular focus. Consultancy reports regularly

recommend the restructuring of government, the strengthening of old institutions, or the introduction of new ones.[38] For example Mick Moore's report on institution building 'identifies a shift in thinking about development, from the idea that what developing countries lacked was capital, to the idea that what they lacked was the right policy environment that would encourage public sector efficiency, and private sector investment.'[39] The thrust of this approach is explained in terms of the "vital linkages" between governance, sustainable development and civil and political rights. It is now frequently argued that good governance creates the environment in which civil and political rights are respected and promoted. At the same time it is also seen that the exercise of civil and political rights through participatory processes is essential to the achievement of sustainable development because it helps to ensure government accountability and effectiveness. However it is argued that developing countries often lack the institutional capacities and resources, in both government and civil society, to ensure that these important linkages are made and maintained.[40]

The focus of this chapter is firstly on the traditional forms of governance which characterise Melanesian society, and secondly discusses the most common approaches to establishing 'good' governance and strengthening government institutions. The primary purpose of the discussion is to consider the appropriateness of these approaches for the PNG context. The question is asked are these policies and strategies likely to promote sustainable institutions and hence sustainable development in Melanesian countries?

2.2. Ethnicity and the Nation-State in Melanesia

Most research on governance in Melanesia has been concerned with the shortcomings of government. In the case of PNG most writing has been 'more concerned with ideas about, the state, its capacity, role in the economy, inability to provide law and order, and irrelevance to indigenous 'stateless' political traditions.'[41] The approaches taken have been essentially an analysis of how the 'Western Model' should function rather than questioning the applicability of the model imposed, but 'Melanesian societies were famously stateless, maintaining order within themselves. According to the political theorist Michael Taylor, who investigated the empirical conditions for anarchy by reading Melanesian anthropology, these societies maintained internal order by a mixture

of face to face interactions, multistranded relationships, common norms and values, self help retaliation and gossip, shaming and supernatural sanctions.'[42]

Generally, Melanesian cultures are still very much alive today in terms of influencing societies governing systems, and it is sometimes argued that this influence is growing. Especially in Melanesia, traditional communities remain highly cohesive, with widespread kin-based ownership of land, and a quite strong community spirit. However,

> in places where the colonial powers willingly accepted decolonization, it was not always obvious where the boundaries of the emerging political entities should be drawn. In the Pacific, as elsewhere in the colonized world, the more or less arbitrary borders established by the colonial powers tended to endure, even though they seldom reflected any strong internal sense of community. The Melanesian entities of Papua New Guinea, the Solomon Islands and Vanuatu, were the most problematic in this respect, each embracing literally hundreds of separate cultural and linguistic communities that had little or nothing to do with each other until the time of independence.[43]

The idea of the nation state is an introduced concept in these societies. It is generally acknowledged that a 'nation' consists of a people, sharing a common language (or dialects of a common language), inhabiting a fixed territory, with common customs and traditions, which may have become sufficiently conscious to take on the aspect of law and who recognise common interests and a common need for a single sovereign. There are various views about the origins of the 'nation-state'. For example some researchers consider that the nation state is the result of the rise of industrialisation, for others it is the manifestation of ethnicity, the diffusion of European ideology, the advancement of technology, or the need of the capitalist state to insure internal cohesion.[44] Anthony Smith argues that

> while we can no longer regard the nation as a given of social existence, a 'primordial' and natural unit of human association outside time, neither can we accept that it is wholly a modern phenomenon, be it the 'nervous tic of capitalism', or the necessary form and culture of an industrial society. While the revolutions of industrial capitalism, the bureaucratic state and secular mass-education represent a watershed in human history comparable to the Neolithic transition, they have not obliterated or rendered obsolete many of the cultures and identities formed in pre-modern eras.[45]

Anthony Smith therefore argues that the modern nation state is still a product of traditional societies, and in these societies ethnicity has had a particularly important role. There are essentially two main ways in which the term "ethnicity" may be understood. The first and narrowest meaning attached to ethnicity is in terms of racial or language groups. The second and much wider meaning equates ethnicity with ascriptive group identities such as race, language, religion, tribe, caste etc.[46] Anthony Smith defines ethnic communities as 'named human populations with shared ancestry myths, histories and cultures, having an association with a specific territory and a sense of solidarity.'[47] Smith places particular emphasis on the role of common history – real, blending into the mythic – in the development of ethnic sentiment. In particular his earlier work on "ethnic revivals" emphasised the construction of ethnicity and the role of nationalist intellectuals in researching and reconstructing folk tradition.[48]

Alternatively Lijphart argues that an ethnic group can be defined as a group of people who see themselves as a distinct cultural community. This community will most often share a 'common language, religion, kinship, and/or physical characteristics (such as skin color); and who tend to harbor negative and hostile feelings towards members of other groups.[49] Esman, on the other hand, uses a narrower definition of ethnic identity that denotes a community that claims common origins possesses distinctive and valued cultural markers such as customs, dress and, especially, language, and that expects to share a common destiny.[50] Reilly believes that 'this definition may be more applicable to PNG, where groups are divided less on overt ascriptive criteria such as race or religion than on kinship, language, and region.'[51] In Ghai's view ethnicity is a broad concept 'covering a variety of factors which distinguish one group of people from others. Important contemporary distinctions are language, race, religion and colour. When these markers cease to be mere means of social distinctions, and become the basis of political identity and claims to a specific role in the political process or power, ethnic distinctions are transformed into ethnicity.'[52] He shows how there is now considerable literature on why and how the transformation takes place - varying from theories of primordialism and socio-biology to the deliberate mobilisation and manipulation of differences for political and economic reasons.[53]

Despite this broad range of views it is generally recognised that ethnic groups and ethnic minorities exist by virtue of long-standing association across generations, complex relations of kinship, common culture and usually religious uniformity and common territorial attachments. For the most part Papua New Guineans define their ethnicity in terms of kinship, language and sometimes their region. Ethnicity can also be analytically conceived to contain two dimensions: objective and subjective.

> It is the subjective factor, the beliefs of group members that serve the critical function of establishing group identity, uniqueness and boundaries. Most groups in competition or conflict with others develop collective ethnic consciousness. Despite ethnic group loyalties, ethnic group boundaries are notoriously unstable and tend to change and be manipulated over time and even situationally. In PNG, all persons are carriers of multiple ethnic identities.[54]

The population of PNG speaks more than eight hundred languages and live in small-scale, decentralised communities. Members of PNG society were bound for the most part by kinship connections, a common language and communal landholdings. As a result Premdas argues that 'the PNG government faces formidable difficulties of disunity, much of it derived from its ethnolinguistic and ethnoregional fragmentation.'[55] However ethnic identity in PNG seems to be a mixture of "primordial" and "constructed" factors.[56] Many analyses of ethnicity in PNG emphasise the extent to which ethnic identities are both a salient feature of traditional society and a reaction to colonialism, modernisation and independence. However, the position of many researchers is that ethnicity is not primordial, in the sense that the emotive power of ethnic distinctions inevitably leads to political conflict and demands.[57] It can be seen that the importance of ethnicity may vary over time as a result of a number of political, social and economic factors, but a particularly important factor is the nature of the government institutions. In particular many studies show that 'identities may also be forced upon the people by the state. The colonial experience provides many examples of how the formation of identities was facilitated by the way in which the government drew administrative boundaries or categorised people.'[58] In the case of PNG it appears that ethnicity is primarily constructed.

The role of the state in PNG for creating ethnic identities has been important because for countries such as PNG 'the transition from a colonial state to a nation-state is far

from culturally neutral. The nation-state as a political form is quite inseparable from Western culture and capitalism became the concept, "nation state", is fundamentally founded on Western notions of the relationships among the individual, state, and civil society.'[59] In PNG the colonial experience provided for the formation of ethnic identities as a result of the way in which administrative boundaries were established by the colonial government. Questions of ethnicity, as distinct from race, frequently arise in discussions about local and provincial government boundaries. Papua New Guinea's nineteen provinces are based on colonial administrative districts that did not necessarily correspond to pre-existing political, cultural, or linguistic divisions.[60] In PNG an ethnic map has emerged around artificial administrative boundaries and

> large numbers of Papua New Guineans were caught up in this radical transformation process that would modify and recast their ethnic and class identities. From a simple traditional society, a complex and highly differentiated social and economic order had emerged. Ethnic claims to new identities, malleable and improvised became pervasive, serving as defence mechanisms and stabilisers in a turbulently changing world. The ethnic dimension emerged as a salient prism through which most development efforts were interpreted and directed. In some instances, the ethnic factor became a formidable force in defining national issues and allocating scarce resources.[61]

Given its social order it is almost inevitable that economic, political and social change will disrupt the traditional patterns of power relations and cause conflict in a society such as PNG.

2.3. Governance and Institutional Strengthening

As explained earlier the issue of governance came to prominence in development studies and policy in the late 1980s, after a realisation that inefficient administration, and poor quality public policy, was major contributing factors in the failure in a significant number of developing countries to achieve long term sustainable development.[62] In particular also an important component of this focus on good governance is the 'institutional strengthening' of key government agencies because of the belief of the proponents of good governance that the design of institutions makes a difference for development.

Firstly, what do we mean by institutions in this context? In its broadest meaning institutions may refer to a 'network of structures, procedures and shared values within a social system, of a relatively permanent nature, which is concerned with some social function or group of functions.'[63] Douglas North describes institutions as 'the rules of the game in a society or, more formally, (as) the humanly devised constraints that shape human interaction. In consequence they structure incentives in human exchange, whether political, social, or economic.'[64] Sometimes institutions are divided into four general types, namely: political; economic; cultural and kinship. There are also some generally recognised important features of institutions including: they may contain 'members', but are not identical with any member; they have independent agency; they may endure beyond the life of any particular member; and they manifest their existence through the intentional acts of their members.[65] There are therefore an enormous number of 'institutions' in any society and in this study we are interested in both formal and informal institutions. A crucial distinction is also made between institutions and organisations in North's work, and he argues that like institutions,

> organizations provide a structure to human interaction. Indeed when we examine the costs that arise as a consequence of the institutional framework we see they are a result not only of that framework, but also of the organisations that have developed in consequence of that framework... Organizations include political bodies (political parties, the Senate, a city council, a regulatory agency), economic bodies (firms, trade unions, family farms, cooperatives), social bodies (churches, clubs, athletic associations), and education bodies (schools, universities, vocational training centres). They are groups of individuals bound by some common purpose to achieve objectives. Modeling organizations is analyzing governance structures, skills, and how learning by doing will determine the organization's success over time. Both what organizations come into existence and how they evolve are fundamentally influenced by the institutional framework.[66]

The focus of my research is broader than mere 'organisational performance'; rather I focus on the interactions between institutions and organisational performance. North argues that 'institutional change shapes the way societies evolve through time and hence is the key to understanding historical change.'[67] In Chapter 3 I consider social change and institutions, and in particular how institutions have evolved over time in PNG. The huge cultural diversity which characterises PNG is recognised, and 'the difficulty in generalising about society in New Guinea applies throughout the area loosely referred to

as Melanesia. It is perhaps easier to say what Melanesians do not have, in contrast with the world which impinges on them, than what they have in common.'[68] However PNG has been characterised as basically a stateless society in which the imposition of Western style institutions has had a profound impact. The modifications to the traditional political system have been particularly disturbing because the dominated polity was stateless, as it was everywhere in Melanesia.[69]

Why is it important to consider institutional change in PNG? Experience over the past quarter of a century 'confirms that sustainability of development projects has been affected by weak institutions and inadequate management capabilities. There is strong evidence that institutional and managerial problems have had a pervasive impact on project implementation despite continuing efforts by multilateral and bilateral agencies to provide enhanced support to strengthening institutional capacities in developing countries.'[70] As a result of this recognition aid donors have invested in 'institutionally strengthening' government organisations with the intention of more effectively using aid funds and delivering government services. However, generally the results of this approach have been very disappointing.

In PNG concern with the appropriateness, efficiency, and effectiveness of public administration was first expressed in the *ToRobert Report 1979* and then in a 1983 World Bank overview of public administration in PNG, and 'further initiatives followed in the late 1980s and early 1990s such as the UN – backed Resource Management System and the World Bank – supported Public Sector Training Project. Neither proved successful.'[71] Turner concludes that 'the organizational structures in the public sector in Papua New Guinea have been major impediments to development. Organisations have been typically characterized by structures that are ideally bureaucratic in nature but which are highly dysfunctional versions of the ideal type. They are concerned with control over functional areas and with internal matters. They do not encourage focus on results and outcomes, or on the efficient pursuit of routine tasks.' [72]

Why is public sector management reform important? There are a number of reasons but one reason is that institutional change (i.e. which is the primary purpose of public sector reform) is

> a complicated process because the changes at the margin can be a consequence of changes in rules, in informal constraints, and in kinds and effectiveness of enforcement. Moreover North argues that institutions typically change incrementally rather than in discontinuous fashion. How and why they change incrementally and why even discontinuous changes (such as revolution and conquest) are never completely discontinuous is a result of the imbededdness of informal constraints in societies. Although formal rules may change overnight as the result of political or judicial decisions, informal constraints embodied in customs, traditions, and codes of conduct are much more impervious to deliberate policies. North believes that these cultural constraints not only connect the past with the present and future, but also provide us with a key to explaining the path of historical change.[73]

Of the many issues deriving from the good governance discussions there are two that are particularly relevant for understanding the approaches that have been used applied in PNG. The first is that in both its political and technical forms, good governance places improved public sector management as a key developmental goal for donors. Secondly, although there are some differences in the detail, the major donors are agreed that what developing countries must do to improve public sector management is to sweep away the traditional public administration paradigm that underpins their bureaucracies and introduce the New Public Management (NPM).[74] However 'introducing the minimalist notion of the state in many developing countries may have been helpful in addressing problems of overcentralised decision making, inappropriate incentives for public enterprises and distorted markets, it failed to give enough attention to the need for capable states if markets are to operate effectively and efficiently.'[75] Shick argues that having an established 'formal' public sector is an essential precondition for adopting elements of the NPM model. In other words, the less suitable the NPM model is if the country's management practices are not highly developed. He shows that in New Zealand formal contracts and internal markets were feasible because the country had a robust market sector and established mechanisms for enforcing contracts - conditions that are often absent in developing countries. Instead most developing countries tend to have an informal economy with relatively weak specification of property rights and other formal processes (and institutions) to regulate economic activity.[76]

During the 1990s an Expert Group on Aid Evaluation established by the Development Assistance Committee (DAC) undertook a study for the Organisation for Economic Co-

operation and Development (OECD). The study's purpose was to synthesise the experiences of donor agencies in achieving good governance objectives in five theme areas (i.e. legal systems, public sector management, decentralisation, human rights and participation) analysing which intervention approaches and strategies worked well and which did not in different country contexts.[77] The study found that there is an emerging consensus among donors, and in the literature, regarding which approaches to institutional strengthening are the most successful. The following are the main recommendations of the DAC study on IS.[78]

- Avoid simplistic, supply-sided approaches that inject technical assistance, training, and equipment as the sole solution. Instead, apply a demand-oriented approach that emphasises locating and encouraging stakeholders who have an interest in the organisation, and who place on its performance demands, pressures and discipline.

- Evidence suggests that organisational performance be also improved by factors such as high-specificity of the task (i.e. clear and focused objectives); built-in performance incentives and sanctions against poor performance; and increased competition between and within organisations.

- It is important to understand the country-context. Many of the factors influencing organisational performance are situation-specific, and lack 'blueprints' and predictable patterns. Thus more emphasis is needed on country-oriented analysis.

- Support networks of organisations, promote pluralism and co-operation. Involve different types of organisations, which can contribute in a complementary way to the overall goal of an intervention.

- Recipient commitment and 'ownership' is a key factor influencing the success of institutional strengthening efforts. Therefore it needs to be carefully assessed. In some cases, lack of commitment may be an immutable constraint, and institutional development should not be promoted.

- Use existing institutions wherever possible, and avoid the temptation to establish parallel 'project management units' if the aim is institutional development. Experience indicates that while establishing PMUs may enable faster project implementation than if existing bureaucratic structures are used, they usually do not provide a sound basis for long-term institutional development or for sustainability of project activities after donor involvement ends

Turner explains that generally institutional strengthening with a public sector focus looks to make the state work better through innovation in management. It potentially involves a wide range of activities including: organizational structures and processes, management information systems, monitoring and evaluation systems, accountability, performance measurement, planning, staffing and personnel policies, staff training, organizational culture, financial performance, participatory mechanisms and inter-agency relations.[79] A serious problem has arisen, however 'in attempting to address the dual objectives of satisfying the needs of structural adjustment programs on the one hand and those of institutional capacity building on the other. Reductions in public expenditure have inevitably focused on reducing the cost of the civil service including salary costs. Yet, the changing role of the state and with it the changed functions of the civil service has increased the need to strengthen policy management capacity."[80]

However despite the incomplete study of experience to date, it is possible to identify some elements common to successful reform programs:[81]

- the provision from the top of explicit political support for reform measures;

- a need for clearly defined goals of reform and realistic strategies to achieve these goals - the means, the timing and the sequencing of actions;

- a need for an operationally effective implementing agency with sufficient prestige and authority as well as the necessary intellectual and technical capacity, to formulate and execute the reform program;

- effective communication among all those affected by or with a contribution to make to the process of civil service reform; and

- civil service reform must be 'owned' by the national authorities if it is to be successful.

To date only fairly limited attempts have been made to evaluate institutional strengthening (IS) projects.[82] Major areas that have received little attention in the past comprise, among other things, the lack of discussion of the broader administrative framework and the macro-economic policy environment that conditions the pace and process of development. Also the organisational structure, staffing and leadership potential, planning and monitoring capabilities, the level and size of organisational controls, including delegation of authority and responsibility, the overall management of human and financial resources and inter-institutional linkages have not been considered.[83] Instead evaluations have focused primarily on technical aspects, and criteria that a 'successful IS project should also start with a simple design which aligns country and institutional capacity with realistic time-frames and objectives, allows for close monitoring, and will have the flexibility to facilitate adjustment of the projects as required.

A successful IS project should include appropriate delivery mechanisms, and careful selection criteria plus clear Terms of Reference for technical assistance personnel.'[84] The evaluations consider only the impacts on 'stakeholders' and there has been a tendency to view bureaucracies as purely technical instruments of administration. In such a model, inefficiency and ineffectiveness are recognised but are ascribed to rational capacity problems such as lack of skilled human resources or 'to the existence of irrational elements grouped under the residual category of culture.'[85]

However too properly evaluate institutional strengthening projects; it is not sufficient to focus only on the way in which the project increased the capacity of the institution to perform its functions. **In particular Turner argues that 'reformers in the South Pacific countries might do better to leave institutions alone (assuming they have been well designed) and focus on improving the socioeconomic and sociocultural**

factors that determine their performance. They may be disappointed that the changes they make to structures of government have no effect, as they are overwhelmed by these underlying factors'.[86] For example

> in Papua New Guinea accountability has traditionally focused on 'regularity' where public servants are expected to follow the formal rules and regulations of a bureaucratic type of organisation. They should turn up on time, do their work in specific ways, and observe the formally prescribed authority pattern. Such an ideal has not been evident in much practice although it is clear that accountability is largely an internal matter with public servants being accountable to superiors and the minister. They are rarely accountable to the constituencies that they are supposed to serve and there has been little or no use of 'performance accountability' in which effectiveness and goal achievement are prominent.[87]

Also it is sometimes suggested that institution building should not be considered a priority area of intervention only by the government. The role of non-governmental organisations in this regard should be recognised, particularly in developing participatory skills and in the decision-making processes affecting beneficiary-oriented projects. Civil society organisations may enhance participation by providing beneficiaries a mechanism that they 'own' and can support sustainability by becoming an entity that can continue appropriate functions after project completion.[88]

Colin Jacobs undertook case studies of institutional development projects in Southeast by British aid.[89] Jacobs develops three models which look in turn at the relationship between the institution and its environment; the relationship between donor and recipient; and best practice at each stage of the project cycle. His research found that while the project approach incorporates features that are valuable across different disciplines and situations, insufficient attention has been given to the processes involved. In particular he found that quite often projects were designed by the donor without sufficient involvement of the host organisation and other stakeholders. The original design was then implemented without adequate review to re-assess progress, goals and if necessary change direction. Methodologies were also borrowed from engineering and construction projects that which may have served their ends well, but have proven too inflexible where changes in human behaviour and organisations are required. Therefore he found that despite considerable investment the end results have

been disappointing.[90] Jacob's emphasis is therefore on the importance of the 'enabling environment' and the need for participation by the recipient of aid. His model recognises five key stages: assessment, project design, implementation, local capacity building and monitoring and evaluation, and the model proposed is one that must:

- provide an accurate and in depth assessment of a recipient's capacity to manage a project;

- emphasise the need for a shared understanding of the purpose and nature of support among the various project stakeholders;

- stress joint implementation which is flexible and allows donors and recipients to raise awareness, clarify ownership, commitment and leadership;

- encourage recipients through maximising participation and support, and the use of local skills, systems and resources;

- design monitoring and evaluation systems which can keep managers up to date on progress and allow timely interventions where necessary; and

- include questions of sustainability by taking into account the needs of the people and their ownership of the project; understanding the local social context and cultural dimensions of development; the delivery systems and required improvements; and, by ensuring sufficient resources are available to at least minimise the risk of failure.

In particular Jacob's found that in his case studies 'the project design was to varying degrees imposed by ODA as a blueprint on recipients who had no obvious role at the outset in shaping its outcome. This meant that there was often insufficient commitment on the recipient's side. Neither was there the in-built flexibility to change design, or speed up or slow down implementation as required.'[91] In Melanesia the social, economic, political and cultural contexts in which institutional strengthening have been undertaken differ significantly. A central question is whether the sociopolitical

culture in a given context is more important than good design or economic/financial resources in explaining the performance of institutions, because 'too many development change agents, whether nationals or foreigners, have had a single-image formula for the structure of organisations. Some advocated decentralization; others bureaucracy; still others structured flexibility. Each of these approaches has advantages but none is adequate or even desirable in all situations.'[92] Also 'new institutionalist' varieties of economics that underpin some of the ideas of what is called the New Public Management, and the World Bank's *1997 World Development Report*, are more sympathetic to country specificity. Their notion of 'path dependency' means 'where you are' depends, in part, on 'how you got there'. History constrains opportunities, and opportunities foregone lead individuals, and countries, down divergent paths. The implication for ADB, and other donors, is that different solutions will suit the different circumstances that have emerged in each country.[93]

In particular there is a general absence of analytical studies of management issues in the Pacific island countries. Most recent studies emphasise human resource development as the key issue. The assumption appears to be that improvements in general standards of education and training providing increased numbers of trained specialists will overcome the problems of public sector management in these countries. While improvements to the formal education system; particularly achieving improvements to the overall level of education among the population through linking resource allocation to return on investment is certainly a partial solution, it is a long term one. It does not address the immediate problem.[94]

Hage and Finsterbusch focus on the organisational forms and managerial technologies that are the most effective in developing countries. They examine twelve case studies of organisational change in Third World countries in terms of an analytical framework that is based on the organisational change literature of the Western developed countries.[95] The elements of the analytical framework used by Hage and Finsterbusch are:

- Synopsis of the case;
- Performance and output gaps;

- Environmental context: opportunities and constraints;
- Structural, design and environmental changes;
- Nature of the approach;
- Results; and
- Conclusion.

Hage and Finsterbusch reach the conclusion that Western literature on organisations is relevant to developing countries, but which is a conclusion that seems to ignore the relevance of the local situation. Furthermore, the need for grassroots participation has become almost a matter of faith in development policy and 'many donors retain faith in the idea that the inefficiency of the state apparatus can be compensated for by designing community-managed, participatory development projects, and that more effective development processes might be achieved by working directly with communities. Unfortunately, there is little evidence to show that community-managed development projects are more efficacious than those managed by the state.'[96] However the evidence does suggest that part of the problem of institutional performance does reside in the links between the organisations and the local community where services are delivered.[97]

What can be concluded from the above arguments is that the process of institutional development is very complex and there are numerous variables that may determine institutional effectiveness. An important element is that effective institutions depend on the existence of links with the community and that the nature of these links depends on the socio-political and cultural context. Rondinelli suggests that successful institutions have some important characteristics, namely:[98]

- they must be responsive to diverse problems and conditions found in developing countries;

- they must be mutually reinforcing and interlocking in order to stimulate local development;

- they must be built on culturally accepted arrangements, practices, and behaviour. Understanding traditional institutions that have served people in developing countries for decades or centuries – their strengths, inadequacies, limitations, and potentials for transformation – is essential for modifying old institutional arrangements and introducing new ones;

- while they must be "culturally acceptable" the institutional network must be designed to transform traditional practices and behaviour into more suitable arrangements for economic growth and equitable income distribution; and

- they must be designed in conjunction with the beneficiaries and open to local participation and leadership.

He further argues that there is the need to learn as much as possible about the organisation's culture and its complexities before the commencement of project work. Also there is the need to obtain and maintain constant maximum involvement of all concerned in the process of change, whilst at the same time allowing on-going normal work to continue without disruption. The recipients of the changes should also be given as much time as needed to assimilate the new ideas and changes.[99]

2.4. Conclusions

The Melanesian countries (i.e. PNG, the Solomon Islands, Vanuatu and the Fiji Islands) are each experiencing very similar problems in trying to establish sustainable economic growth, despite the fact that each has inherited abundant forests, mineral resources and vast ocean resources. Each of these countries has at one time or another embarked on structural adjustment programs but rarely have they achieved substantial results. It is now recognised that the effectiveness of the traditional structural adjustment is very much dependent upon the effectiveness of the public policy agencies within the implementing government. For this reason increasingly the focus for multilateral and bilateral aid donors is strengthening government institutions. However the results from these reform programs are still generally disappointing.

The idea of the nation state is an introduced concept in Melanesian societies. Anthony Smith argues that the modern nation state is still a product of traditional societies, and in these societies ethnicity has had a particularly important role. It is generally recognised that ethnic groups and ethnic minorities exist by virtue of long standing association across generations, complex relations of kinship, common culture and usually religious uniformity and common territorial attachments. For the most part Papua New Guineans define their ethnicity in terms of kinship, language and sometimes their region. The population of PNG speaks more than eight hundred languages and live in small-scale, decentralised communities. Members of PNG society were bound for the most part by kinship connections, a common language and communal landholdings. Many analyses of ethnicity in PNG emphasise the extent to which ethnic identities are both a salient feature of traditional society and a reaction to colonialism, modernisation and independence. It can be seen that the importance of ethnicity may vary over time as a result of a number of political, social and economic factors, but a particularly important factor is the nature of the government institutions.

The lessons form the experience thus far in institutional development is that successful reform requires a strong level of local participation, and needs to be 'culturally sensitive'. Planners will rarely succeed when they try to impose their schemes on communities (or nations) without paying attention to the practices, customs, rules, laws, beliefs, values and organisations of the people to be affected. Any program or policy aimed at changing human behaviour, be it participatory development or conservation and development requires culturally informed and pragmatic negotiations with political and economic interests at the local, regional, national and international levels.[100] Furthermore there is evidence that the existing institutional capacity is influenced by the prevailing institutional culture, which is becoming increasingly subject to political pressures and influence, short term agendas of self interest, and the frustrations of working in an unpredictable environment.[101] This raises the question as to the suitability of the conventional institutional reform program to the Melanesian countries. The relationship between intent and outcome can be extremely complex, ambiguous, and difficult to unravel in this context. This may explain why researchers on governance can become preoccupied with conceptual issues in isolation from how those

concepts translate, or fail to translate, into reality. In PNG over many years provincial government has been the object of the types of capacity building described above, but how effective have these reforms been?

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CHAPTER 3

PROVINCIAL GOVERNMENT PERFORMANCE IN PNG

'Long before the winds of independence blew across the islands Pacific, villagers of different island groupings possessed at least one thing in common: they knew themselves as the first, at the time the only sector of society. There was no question of assigning the state as primary since it did not in fact exist...'[102]

3.1. Introduction

With a population now over five million people, Papua New Guinea (PNG) occupies roughly half of the world's second largest island, New Guinea, and about 600 smaller islands. It shares its western border with the Indonesian province of Irian Jaya or West Papua. It was a colonial possession of Australia from the early years of this century until 1975, when it became independent. PNG was formed by the merger at independence of the Territory of Papua, which had been under Australian rule from 1906, with the Trust Territory of New Guinea, which had been a German colonial territory from 1884 to 1914, and had thenceforth been administered by Australia – first under military rule, then under a League of nations mandate granted in 1920, and later under United Nations trusteeship from 1945. Australia jointly administered the two territories as an administrative union until 1975. PNG became self-governing in December 1973 and attained full independence on 16 September 1975.

In PNG a system of provincial governments was established following independence primarily in order to account for the diversity in the country and to give a voice to the 'grassroots'. By establishing the system of provincial and local government the central authorities sought to take into account local and ethnic factors which inevitably manifested themselves with the conflict on Bougainville. If not for the threat of secession by Bougainville the provincial system may well have not been established. Also during this period of the 1970s decentralisation had become popular as centralised systems of government, in a number of developing countries, had failed to achieve the level of economic growth and "national unity" that was expected. The original provincial government system was substantially reformed and a new system was established during 1995 and after. The preamble to the PNG Organic Law on Provincial Governments and Local-Level Governments (OLPGLLG), enacted in June

1995, states that the law's purpose is 'to maintain the sovereignty of the nation; to promote equal opportunity and popular participation at all levels of government; to provide the basic human needs for water, health, education, transportation, communication, accommodation, and social order through self-reliance, and promote responsible citizenship through self-management, control and accountability for one's actions.'[103] There is now a widely held view that the new Organic Law has failed to meet expectations and there is again a discussion about the need for reforms.

One important issue to be addressed in this chapter is how we might assess the performance of government institutions? The most pervasive assessment of performance in economic discussions is "efficiency", which links inputs and outputs: an efficient outcome is one that gets the most out of a given set of inputs.[104] However the discussion will focus on the wider issue of "effectiveness". First I consider the nature of the institutions that have traditionally maintained social order in PNG. Second I analyse the impact of western bureaucratic norms on traditional Melanesian institutions. This is important in the context of the situation in Melanesia described in Chapter 2, and in particular the strategies that have been used to improve "governance" in these countries. This includes a brief discussion of decentralisation and its strengths and weaknesses. Finally in this chapter I am seeking to answer the question as to what extent are provincial governments addressing the goals as provided in the OLPGLLG?

3.2. Institutions and Melanesian Culture

What kinds of institutions have traditionally maintained social order in PNG? The question to consider here is 'what is it that makes human beings, as social creatures, behave themselves? We may do so out of fear of the consequences of police action, courts and prison but what about societies that do not have these institutions?'[105] Historically Melanesian societies had no formal government as understood in Western terms and this determined the nature of the political leadership which characterised Melanesian society because as Rowley explains the New Guinea village had to maintain itself in a world without imposed order, or protection from state power.[106] All traditional Melanesian societies are stateless, and the question is how they maintain

order without the elements of state apparatus, which in the Western experience are necessary for orderly social life.[107] Colin Filer points out that 'Melanesian communities have always been on the verge of disintegration, even in pre-colonial times, and it has always taken special qualities of leadership, in each succeeding generation, to prevent them from splitting apart at the seams.'[108]

As in most of the Pacific island countries PNG has both inherited and adopted modern western government institutions to fit what is essentially, a communal social and economic structure characterised by a decentralised political structure. Traditional Melanesian society was based on consensus, gift giving, exchange and obligations. The notion of 'reciprocity' was central, and involves in various forms a complicated, shifting network of reciprocal obligations that continues over time. Such a network can operate on an intra-village or inter-village basis, and involve reciprocal obligations between individuals or groups.[109] However surprisingly little research has focused on the relevance of the centralised state to Melanesian society, and it appears that 'a critical problem with enduring "traditional" forms of governance in the Pacific is that they no longer operate in "traditional" ways.'[110]

PNG has been experiencing a period of rapid transition in terms of social, political and economic relations, generating a transformation from a society characterised by a subsistence and barter economy, towards a gradual integration into a predominantly capitalist cash economy. This transformation has involved the gradual emergence of centralised power structures, both economic and political, which contrast and sometimes conflict with traditional society in which 'local' attitudes were predominant and there were few if any political unions outside the clan. It has been described how 'when we were young in the old days we learnt first to trust our mother and father and those of our household, then those of our own village, and then those of our clan or line in another village; but all others were strangers who might harm us and might be our enemies. We did not trust others of our island, even if they spoke the same languages and people of other islands we thought of as enemies. This feeling, once so deep, makes it hard for us to become One People.'[111] In most traditional Melanesian societies there was no hereditary class of rulers and generally headmen were either elected at village councils, or they 'bought' their way up in society by giving feasts and pigs. Fundamental to

Melanesian society were notions of reciprocity and family obligations, and

> ceremonial exchange institutions are central to the ordering of relations among human beings in Melanesian society. We find them throughout Melanesia; they lie at the very core of social life... Sociopolitical exchange is the giving and receiving of wealth, frequently between kin, on prescribed social occasions. The events at which Melanesians exchange valuables vary from one place to another; some of the commoner ones are important life-cycle events such as birth, marriage and death, and important cultural events such as rituals, festivals and peace ceremonies. They are governed by a code of rules to which all participants subscribe, rules specifying who should give and receive what from whom and when.[112]

Reciprocity, commonly illustrated in the exchange of food and gifts, was carried over, as it were, into the realm of external affairs, so that the way to have wrongs redressed was through reciprocal 'pay-back', perhaps in warfare, or in seizure of property, or its destruction, individual reciprocal killings and the like, according to relative power and other circumstances. Where power was not adequate a common recourse was and still is to sorcery, fear of which may often discourage or limit aggression.[113] Therefore of most importance for most Papua New Guineans their world was closely prescribed. Generally beyond there own tribe they were surrounded by neighbours perceived to be hostile or suspicious, who often spoke a completely different language. It has been described how traditional life in Papua New Guinea fear of one's enemies and, more importantly, fear of the spirits dominated. The ancestors and spirits of dead relatives were active players in everyday life and great effort and attention went into placating them so as to ward off ill fortune and death. However it was not too difficult to maintain social order with small social groups, and

> whereas we must exchange to subsist and these transactions need not have any significant social component, Melanesians produce for themselves enough to subsist, and exchange is something engaged in pre-eminently for sociopolitical reasons. Melanesian society in some important senses reverses the assumptions of a money-centred market economy. Whereas with us the majority of transactions are purchases, commonly from strangers, and we obtain few goods and services as gifts (presents on certain anniversaries, the occasional gift from one's spouse and so on), in Melanesian societies the opposite applies... The articulation between material economic issues and the society at large is of a different order: the inhabitants of Melanesia display a concern for their own flesh and blood, community, and sociability in their giving of things to one another.[114]

The tendency to look for the fruits of existence in ceremony, feasting and dancing; the dependence of status on the gift exchange; the basic belief in non-material causes for the events of the material world, make it difficult to engage villagers in purely economic enterprises aimed at the accumulation of cash by the individual, except as 'target' workers with some immediate purchase in view for village use. The whole cultural conditioning is rather against the morality and the rationale of capitalist commercial enterprise.[115]

It is tempting to generalise about PNG traditional society but the reality is that each group lived out its own existence.[116] The complex exchange institutions, which characterised the stateless societies of Melanesia, promoted orderly political and social relations. The way in which exchange affected such control over behaviour was fairly straightforward. If a society has norms, which members observe and value very highly, that require them to engage in a continuous round of exchanges of valuables with others, then they must remain on amicable terms. They cannot wrong others wantonly (e.g. steal from them) or fight with them and still expect to exchange with them. Their personal reputation and esteem depend upon their participating to the best of their ability and[117]

> in Melanesia those who excel at sociopolitical exchange - who are outstanding competitors - commonly achieve admiration and respect: they are Melanesia's big men... Any man endowed with the required qualities can aspire to big man status. These qualities, or the emphasis put on them, vary from one society to another. They range from an above-average ability to contribute to feasts and festivals and manipulate wealth, fearlessness in warfare and an aggressive temperament, skill in oratory and persuasion, specialised ritual knowledge, a reputation for sorcery. The prestige of a big man declines as these qualities wane with age: distinction depends on current ability, not former glory.[118]

Sillitoe's view is that the traditional role of the big man and the exchange-founded interaction in Melanesia ensured cooperation and social order.[119] Schoeffel shows that initially in Melanesia many leaders and intellectuals believed that under independent governments, traditional values of sharing and redistribution could somehow be reconciled with political and economic development. This was to be done by adapting colonial institutions to make them more culturally appropriate. It was hoped that local control would solve the injustices and distortions of development in the colonial period,

and that local knowledge would shape more appropriate development strategies.[120]

In a country of great ethnic diversity the few-shared customs have great power. The strongest is wantok: the obligation to support one's kin through jobs, money and gifts. The system of patronage and influence creates village hierarchies headed by 'big men' of wealth and authority. However at the national level this has too often been translated into corruption, inefficiency and nepotism. Also too often national issues are of secondary importance in elections fought on the basis of clan and local needs. Therefore Sillitoe explains that the evidence from Melanesia suggests that the transition from tribe to state is difficult, and this is expectable, for it involves accommodation to a political order based on hierarchy, centralised power and contract relations rather than equality, diffused power and kin obligations.[121]

3.3. Public Sector Reform in Melanesia

Recently public sector reform has been a major focus for both multilateral and bilateral aid donors in Melanesia. In particular there are some fairly commonly held views about the performance of modern day institutions in PNG. Politicians and public servants are widely perceived to be pursuing their own particular interests and in so doing are susceptible and amenable to influence and inducement by specific constituencies. Obstacles to effective administration are seen to include local practices resulting in inefficiency in the use of funds, ranging from slack accounting procedures through administrative confusion, wasted opportunities and inappropriate training of personnel, through to outright corruption and embezzlement.[122] However much popular explanations for poor state performance in PNG are framed in terms of culture, although this is rarely defined.

Of particular importance for the public sector is the acquisition of appropriate management skills, and human resource management has been an area of poor practice in many public sector organisations in PNG. A recent AusAID study of aid effectiveness in PNG noted that 'it is widely acknowledged by PNG, multilateral organisations and Australia that capacity in agencies in PNG is weak and that this

constitutes a serious constraint to development in all sectors. Capacity shortcomings include inadequate or inappropriate institutional structures and organisational and management cultures; an inadequate, shallow or absent skills base; a shortage of physical infrastructure and inadequate funds for recurrent costs, from salaries to rent and electricity.'[123] Of particular note is the poor development of the human resource management planning process involving such activities as job analysis, forecasting organisational demand for human resources, and assessing the internal and external supply of human resources. However, 'we appear to have very few detailed case studies of the ways in which organisations operate. There is certainly a multiplicity of general analysis and specific observations in donor agency documents while prescriptions for change are readily available. There are regular economic commentaries. But there are surprisingly few in-depth analysis of how individual organisations work.'[124] A fairly recent review of one project undertaken in a national department described how the overall organisation gave the impression 'of an expatriate management using out of date "Australian standards of work performance" to manage non-Australian officers of a different culture, and of a department where there was little trust or communication between the two groups, with consequent low staff morale and poor efficiency.'[125]

Schoeffel[126] and Hughes[127] have both written detailed studies on public sector reform in the Pacific Island countries. Schoeffel's report on *Sociocultural Issues and Economic Development* finds that problems of administration, organisation and management are often greater, and exercise more constraints on development, than problems of shortage of financial and other material resources.[128] Schoeffel sees governance as the crux of the relationship between aid and performance linking it to official probity; the use of political office for personal gain; and the absence of checks and balances, including pressure from an informed and educated public.[129] She finds that the new organisational structures of the colonial state were based on bureaucratic principles in which positions were, at least in theory, defined and limited by laws and regulations. The powers of an office belonged to the office itself, and not to the person who held it. However this is at odds with much traditional practices.[130]

An important assumption underlies Hughes approach; 'namely that what governments do really matters; so it is worthwhile paying attention to the policies and capacities of

governments.'[131] Hughes argues that governance, in the sense of the way authority and control is actually exercised in social and economic development, is strongly affected by cultural parameters, by the way people regard themselves and their relationships with others.[132] In particular he highlights the importance of institutions of civil society which include persons of chiefly rank, with customary titles and some forms of traditional authority, along with the Christian churches and other religious organisations, trade unions, small business associations, women's organisations and other developmental or welfare-oriented NGOs. He finds that these institutions reach out to influence or involve virtually every person in the island communities.[133] Hughes therefore attaches considerable importance to the sociopolitical and cultural context of development.

Hughes also describes a process of 'internal decay', as well as changes in external circumstances in the Pacific island countries. He is particularly sceptical of some current efforts at institutional reform. The way public services are being reduced 'misses the real culprits, and weakens services that ought to be strengthened'[134] while 'sales of public assets occur in obscure circumstances and monopoly abuse takes place under private ownership.'[135] His recommendation is that reform should be a dynamic process, feeding on complex interactions between systems, and its course cannot be precisely forecast. He believes that it seems likely that less detailed programmes, aiming at fewer, more critical but more generalised goals of a kind that liberate reforming initiative rather than fencing it in, may provide a more helpful frame for promoting durable progress.[136]

Of the many issues deriving from the good governance agenda there are two that are particularly relevant to our discussions. The first is that in both its political and technical forms, good governance places improved public sector management as a key developmental goal for donors: across Africa, Asia, Latin America and the former Iron Curtain, aid agency personnel are placing public sector management on their agenda and are hunting out projects in this field. Secondly, although there are some differences in the detail, the major donors are agreed that what developing countries must do to improve public sector management is to sweep away the traditional public administration paradigm that underpins their bureaucracies and introduce the new public

management (NPM).[137]

Ghai in his research explained how 'autonomy can play an important, constructive role in mediating relations between different communities in multi-ethnic states. It can defuse conflicts. It is a particularly appropriate mechanism for the protection and promotion of the culture and values of a community... But autonomy can also be fragmenting, pigeonholing and dividing communities. Sometimes, in an attempt to preserve the integuments of a state, autonomy is so structured that it is difficult to find the common ground on which the communities can find a moral or political basis for coexistence.'[138] Further he shows how autonomy, particularly federal autonomy is built around the notion that the people of a state are best served through a balance between the common and the particular. If the emphasis is so much on the particular, then separation may be the better option, notwithstanding the proliferation of states. The secret of autonomy is the 'recognition of the common; certainly it seems to be the condition for its success.'[139]

3.4. Government and Administration in PNG

The economy of PNG has been well researched over the years, but the links between its economic development approach, the political and institutional processes, and the overall development path taken by PNG are less well understood. Furthermore the importance of the political and institutional process for national development is probably less well appreciated than the Government's economic strategies. There is undoubtedly a strong link between the two. In particular there seems to be little understanding of the nature, extent and reasons for the apparent government failure to promote development in PNG and in PNG it is obvious that the classical Western and post-colonial theories about development have failed or are increasingly being challenged.[140] For example, it is often commented how 'aid donors are given excellent written and verbal presentations by national and expatriate public servants but policy implementation capacity is sorely lacking.'[141]

There are a wide variety of views as to what factors determine the performance of government institutions in PNG. Some of the most widely held views were discussed at

a workshop on *Policy making in Papua New Guinea* which was organised by academics at the ANU to review the record of policy making and implementation in PNG since independence.[142] Participants at the workshop came from a diverse group of scholars from Australia and Papua New Guinea and the discussion identified a number of factors impacting on government performance, being:

- A lack or misallocation of funds as a result of poor financial skills and/or poorly operating financial systems or simply corruption.

- A lack of administrative capacity including a shortage of skills. People with the required skills were not in place, were in the wrong place or lacked the supporting infrastructure (e.g. transport and communications) to undertake their duties properly.

- Self-interested individuals or groups have succeeded in gaining control of policy implementation or of blocking it.

- The intrusion of patronage into service delivery where politicians and bureaucrats who controlled the allocation of resources could direct service delivery to supporters.

- A combination of differences in priorities and difficulties in physical and verbal communication between central government and sub-national levels of government. The reforms under the OLPGLLG were blamed for exacerbating the problems.

- A lack of coordination between different departments, and agencies, with common policy concerns. This was seen to be a result of an organisational model, which focused on delineating operational territory and defending it against outside agencies.

- A high rate of turnover in ministers and departmental secretaries in all sectors.

An additional observation raised in the workshop was an apparent strong tendency in

PNG that when performance is seen to be poor the situation is addressed by changing structures and institutions without changing behaviour. This was especially raised in relation to the OLPGLLG reforms which changed the structure of sub-national government but which apparently has done little to change behaviour at that level. It is fairly widely believed that the one event which contributed most to the decline in public service performance is the *Public Services (Management) Act 1986* which reduced the authority of the Public Service Commission to that of basically an advisory body. Restructuring has been a favourite reform measure in PNG since independence but the version applied has been according to Turner only a partial expression of the strategy. He explains that

> restructuring in Papua New Guinea has involved both the amputation of sections of departments and their re-attachment to other departments or the sacking and reassignment of senior bureaucrats. In fact, such restructuring involves little or no genuine structural change. A basic orientation to the ideal-type bureaucratic form of organisation has been maintained but in practice dysfunctional elements have increased: for example, excessive centralisation of decision-making, inefficient information flows, lack of control over subordinate actions, poor knowledge of procedures, and insufficient resources to maintain systems.[143]

Australia, during its period of colonial rule, had little interest in exploiting PNG, as most other colonial powers did in other parts of the world. Instead PNG was regarded as a geo-political buffer for Australia, and therefore the foundations for long term sustainable development in PNG were not established. There are, as a result, some generally accepted principles for effective government, such as the separation of powers and systems for effective accountability, now absent in PNG, because the institutions put in place by Australia never really took root, and were not widely accepted by the community. At independence the new PNG leadership spoke of a unique 'Melanesian path' of development modelled in part on the Tanzanian development model, but this remained merely rhetoric. Consultants from the University of East Anglia (a World Bank mission headed by Mike Faber) provided advice complementing the growing Papua New Guinean admiration for Tanzania's development model of indigenous African socialism, and a desire for some kind of alternative 'Melanesian' way of development. As mentioned above the other major influence during this period was the popularity of decentralisation which was promoted by the World Bank as well as

several other international development agencies.[144] The Eight Point Plan adopted in 1973 made no explicit mention of growth, but rather its objectives were self-reliance, social justice and redistribution. The policies were never properly implemented, although are still sometimes referred to even today by the political leadership.

PNG has a Westminster style parliamentary system of government. There are 109 members elected to the single chamber every five years, under a first past the post system that has led to a high turnover of members at each election. Members are frequently elected with less than 10 per cent of the total vote. Parliamentary terms are fixed for five years and only parliament itself can decide whether there should be an early poll. The members knowledge that there is no guarantee of being returned, and that half of them are destined to lose, effectively rules out the possibility that a majority would ever vote for dissolution.[145] Such unstable arrangements mean that very few members of parliament survive more than one electoral term, leaving the parliament short of experience and continuity.

Parliament elects the Prime Minister who forms a cabinet of ministers who head the various government departments. The political parties are weak, and most governments are formed by coalitions of a number of parties. As a result parliamentary life in PNG has largely become a "numbers game". However there are really no rules to the game, rather just one overriding objective which is to secure the support of enough members of parliament to gain and hold power. It is the pursuit of a parliamentary majority, which preoccupies politicians, more than the business of policy making and governing.[146] Political coalitions are notoriously fragile, and loyalty to one particular political grouping is not commonly based on a shared set of ideals or policies, but rather revolves around a leader. An increasing shift of attachment of citizens away from sub-national or sub-territorial, kinship-related, primordial and ascriptive symbols to more national or territorial, more secular, secondary organisation-based, achievement-oriented symbols and criteria is widely accepted as an important variable in political development. However even after thirty years PNG elections continue to be essentially separate electorate-based contests. The politics of choosing representatives and political leaders continue to be very much grounded in local issues and in intricate relationships among local groups.[147] Most citizens have only the haziest idea of what they are doing

in an election or why. Saffu found that when asked what they think a Member of Parliament does, a disconcerting number of people reply that they do not really know except that he has some responsibility for encouraging economic development. Also it has been observed that when explaining what a member does, people sometimes draw an explicit parallel with sociopolitical exchange, in which a man needs to speak out strongly and argue well to secure the wealth he wants.[148]

Stable government in PNG is therefore almost impossible, because no Prime Minister can be certain of the support of any government backbencher, or even as has been shown on numerous occasions, by any member of his cabinet. The recently introduced *Organic Law on the Integrity of Political Parties and Candidates* (OLIPPAC) may reduce the frequency of 'party hoping' but as yet it is still too early to draw any conclusions. However the absence of political stability in many ways contributes to institutional instability. PNG is often described as an example of a 'weak state' because it lacks administrative and service capacity, without the political strength to make difficult policy decisions and implement programs. Standish argues that it does not politically penetrate and dominate the society. Sometimes state resources can be used for local benefit, but politicians lack authority outside their own communities, and the state as a whole lacks popular legitimacy, worsened by its own excesses in the attempt to gain control. Standish concludes that the societies are increasingly isolated from the state, which is irrelevant to their needs, and then withdraw from engagement with the state.[149]

PNG inherited a government system from Australia with similar checks and balances between the executive government, the judiciary and parliament. Institutions such as the Auditor General, the Ombudsman Commission and parliamentary committees were established to put a check on possible excesses of executive government. However today 'Papua New Guinea is governed by the executive. The legislature plays an increasingly peripheral role in policy formulation and decision-making. The executive is decreasingly accountable to backbench MPs and the opposition.'[150] Following independence there appears to have been a gradual decline in the effectiveness of checks and balances on the power of the executive and 'Parliamentarians in PNG regard themselves more as leaders or their people than as their representatives.'[151] This is

compounded by an electoral system in which a Member of Parliament can be chosen by less than 10 percent of the electorate's voters. Most importantly there has also been increasing politicisation of the public service, with constant changes in senior positions. May observes that

> over the years, successive governments have had difficulties maintaining sound national policies, particularly economic and fiscal policies, due in part to the rapid turnover of ministers and departmental secretaries, and the tendency to place short-term expediency and the demands of individual MPs above longer-term national objectives. This has impacted adversely on state capacity and fostered cynicism among ordinary people and frustration on the part of aid donors and financial institutions.[152]

At the time of independence in PNG local government was in its infancy in many provinces, but was well established in others. Although the Australian Government instituted a system of district level administration it did not lay any basis for the eventual creation of the nineteen provincial administrations. Australia was preparing PNG for only two levels of government being national and local. This policy was essentially consistent with the popularity of centralised administrations. Local government councils were set up throughout the country in the 1950s and 1960s and by 1970 more than two million people were covered by 146 local government councils.[153] As well in many districts state functions such as the provision of health and education services were effectively contracted out to missions. Church leadership networks overlapped with local government, so that church elders, deacons and catechists were also councillors in the state system.[154]

To prepare the country for independence, a Constitutional Planning Committee (CPC) was appointed by the House of Assembly in 1972 to seek public opinion on the structure of the future government. The final CPC report was released in 1974 and found that the colonial administration was excessively centralised and instead proposed a more decentralised system of provincial governments. The arguments in support of a more decentralised system were largely those used in other countries during that time namely that "political decentralisation" promotes "democratic values" and "administrative decentralisation" promotes greater efficiency in the delivery of goods and services to the people.[155] This was accepted despite the critics who argued that

"decentralisation is vulnerable to local patronage and corruption, and, that, especially where the capacity and experience of local politicians nor officials is weak, it gives no guarantee of superior administrative performance."[156] In hindsight it seems that this criticism of decentralisation was applicable to the PNG context.

Political culture in PNG is based in the great number and range of ethnic, language and social groups, many of which are small, with little sense of commonality or community beyond the clan. The features of this traditional society and culture, coupled with modern public institutions and the economic and social pressure for change combine to produce a high degree of political instability; high turnover of politicians; a culture of exploiting the system for short term gains that benefit the incumbent, or his immediate clan or subclan; and a public service that has limited specialisation and is increasingly politicised. There are few incentives for politicians to introduce controls, to act rationally on distortions of the allocated distribution of resources.[157]

3.5. Provincial and Local Level Government in PNG

Recently more than 500 Hela people of Southern Highlands province gathered at the Sir John Guise Stadium in Port Moresby to petition the National Government for a separate province to be known as Hela province. The reason given was that the current law and order problems were denying the Hela people essential government services.[158] The establishment and the continuation of the provincial government system in PNG have been the subject of some quite intense political struggles. Regan describes in detail the sociopolitical context in which the system was established and that 'among the more important of the major actors involved in the period when the provincial government system was being established were: a range of interest groups within the national government; the leaders of the Bougainvillean and Tolai populations; the CPC; and members of various emerging elite groups in the districts/provinces.'[159] However, today almost no province has a geographical boundary with any traditional or tribal relevance. The provinces were created from the district boundaries that had been established by the Australian colonial administration, and as in the case of the Southern Highlands some boundaries even divided clan groups. Furthermore, no provincial

boundary has been significantly altered since independence. Dinnen in his studies of the law and justice sector in PNG finds that the subordination of local institutions within the larger nation-building project has prevailed throughout the post-independence period and conforms to a broader pattern of neglect evident in other Melanesian countries.[160] Ralph Premdas also in his research shows how the system of provincial government has encouraged particular ethnic groups to 'capture' the local bureaucracy, and how ethnicity has become almost a 'defence mechanism' in the face of too rapid change. The result is that provincial government in PNG has remained as remote to the people in the villages as is the national government in Port Moresby, and made a marginal contribution to development.

The constitutional framework, which specifies the relationship between the PNG National Government and provincial governments, was originally enshrined in the Organic Law on Provincial Government (OLPG). A key feature of the PNG system of government was the devolution under this law of substantial political, administrative, and financial powers to the nineteen provincial governments. This legislation created provinces with an elected assembly and premier, and a Department of the Province.[161] Originally the organic law envisaged that powers would be transferred only when provinces showed the capacity to administer them. However steady devolution did not happen and in 1978 a significant number of the National Government's functions were transferred to the provincial governments. Although most national departmental functions were subsequently devolved to their divisional equivalents in the provinces, the National Government retained control over the national planning and budgetary strategy and national functions such as defence, police, nationally designated roads, and health and education facilities. Funds for the provincial governments were largely derived from central government grants, and were supposed to be provided according to a re-distributive formula that favours poorer provinces. This is because at the time of independence Papua New Guinea embarked on a series of policies which, among other things, aimed to overcome two of the legacies of the colonial experience: the high degree of centralisation of political and administrative power, and the great geographical inequality of wealth and distribution of government services within the country. These policies were embodied in the creation of a national planning system with mechanisms of redressing spatial inequalities, and the creation of a decentralised

political system to provide a basis for wider participation in the political process.[162]

A survey of the various objectives which were explicitly or implicitly behind the decision to decentralise government activity in Papua New Guinea included: the return of power to the people as part of the process of decolonisation; a move to a system more appropriate to the 'Melanesian way' of doing things; creation of institutions that increased political participation and responsibility; adoption of a more effective process of decision making; accommodation of regional diversity; introduction of a means for flexible response to demands for change; the ability to experiment with different institutional approaches to government; more rapid development in response to local needs and priorities; pursuit of alternative strategies of development in response to local conditions; the more effective gathering of information; and a means to provide training for leadership.[163]

However in reality the introduction of a decentralised system of provincial government in the late 1970s led to a gradual decline in the quality and coverage of these services, despite the rapid expansion in the size of the state. The rationale behind the provincial government system was to improve delivery of services at the local level. While the number of schools and aid posts increased, there is little doubt that the quality of services declined. This was due largely to a shift of resources away from local government, and from sub-district mission and state services, to the provincial centres, government headquarters and also to the discretionary budgets of politicians. Only in provinces where local government was already well developed was there a reasonably effective integration of provincial and local government. The main result was a series of provincial government suspensions during the 1980s and early 1990s, and by the early 1990s no fewer than ten provincial governments were under suspension.[164]

An important political development in the early 1990s was the reform of Provincial Government introduced by the National Government. The Wingti Government commenced a process of reviewing the Provincial Government system, and a Parliamentary Committee proposed a new structure of provincial and local level government.[165] In reality it can be seen that political rivalry between national and provincial politicians was the central focus of the reforms proposed by the committee.

The committee perceived that this competition had adversely affected governance in Papua New Guinea and had been responsible, directly and indirectly for the failure to deliver services to the people.[166] The new Organic Law passed in July 1995 introduced a revised system of provincial and local level governments which was the result of several years' deliberation by the Constitutional Review Committee. It was also justified by the widespread disillusionment with a system of provincial governments that had failed to improve service delivery and had been subject to widespread misuse of public funds.[167]

The essential features of the Organic Law on Provincial Governments and Local-level Governments (OLPGLLG) were the abolition of the elected political arm of provincial government and the transfer of sizable additional funds from the national Government to the lower level governments for the purpose of better service delivery. Those who supported the reforms argued that the system under the OLPG had failed to deliver improved goods and services to the villagers and in particular the local level had suffered. Instead they believed that the 1995 OLPGLLG would improve cooperation between the national, provincial and local level of governments and the abolition of separate provincial politicians and elections would save the country resources, which would be made available at the local government level.[168] The new Organic Law set up a political system, which was supposed to reach right into the communities. It is meant to bring about even greater participation by local communities in deciding what kind of development they wish to see in their own areas, through their ward committees.[169]

The bipartisan committee proposed a total rejuvenation of the local government councils. The law established structures, functions and financial arrangements for provincial and local government and administration. There are four administrative levels: national, provincial, district and local, and three political levels, as the district have an administrative function only. In particular, there has in theory been increased funding and increased powers extended to the local governments. Provincial assemblies now comprise elected national Members of Parliament, heads of local governments (also elected) and certain appointed members (for example, paramount chiefs in provinces where chieftaincy systems exist). Provincial governments are headed by the national Member of Parliament (called Governor), who represents the provincial

electorate. Governors are answerable to the national parliament through the Minister for Provincial and Local-Level Government Affairs. The provinces in turn encompass 89 districts (represented by the national Member of Parliament for the open electorates) and 284 local governments.[170]

The head of the public service at the provincial level is the provincial administrator, with responsibility for all staff working in the province. The new Organic Law abolished provincial departments and placed their operations under the relevant national departments through the provincial administrator.[171] The Provincial Administrator is chosen by the National Executive Council (NEC) from a list of nominees of the provincial executive council (PEC). The staffs of provinces consist of officers of the national public service assigned to the province, members of the teaching service assigned to the province and other personnel engaged to carry out provincial and local responsibilities. Provincial administrators have supervisory powers over all officers and employees carrying out functions of the national government (other than law enforcement officers), the provincial government and local governments within the province. They are responsible for coordinating policy formulation and for planning and implementing policies, including coordinating and monitoring the roles and functions of national departments and agencies.

The new Organic Law also created for each district the position of District Administrator. The District Administrators are the chief executive officers of local governments and are responsible for functions of national and provincial governments in districts, as approved by provincial administrators, including coordinating policy formulation and implementing local government policies and plans.[172] The administrative functions that are specifically transferred to the provinces include:

- maintenance of roads, bridges and infrastructure;
- urban roads, public facilities, the environment and waste disposal;
- health facilities and programs;
- education facilities and curriculum;
- housing; and
- water supply.

Under the new Organic Law there are four types of financial grants from the national government to provincial and local governments:[173]

- unconditional administration and staffing grants (for costs associated with offices of provincial and district administrators, extended services of national departments and agencies, teachers and other staff);

- conditional development grants (for provincial infrastructure development, local government and village services and possibly 'complementary' grants as determined by the National Economic and Fiscal Commission);

- conditional town and urban services grants; and

- economic grants (including derivation grants designed to encourage exports, special support grants provided for in existing agreements relating to the development of natural resources and possibly other grants).

These grants are based on formulas that incorporate population, land area and the length of coastline. The derivation grant is based on the value of exports originating in a province. There is provision for annual adjustments to grants to compensate for inflation, however

> cooperative decentralisation, which was the expected outcome of the 1995 OLPGLLG, has failed to materialise to date, reflecting partly the misunderstanding with regard to the resources to be transferred to the provinces. Provincial Governors expected much larger amounts than they actually received. The net fiscal situation for the provinces, after their new expenditure responsibilities were taken into account, was worse in a number of instances in 1996 than before the introduction of the OLPGLLG.[174]

In addition to their entitlements to grants from the national government, provincial governments are given exclusive rights to raise revenue from motor vehicle registrations, road-users taxes, liquor and gambling licences, taxes on developed property, and court fees and fines arising under provincial law. Provincial administrators are required to liaise and consult with provincial treasurers on budget and

treasury matters. Provincial treasurers are appointed by and are responsible to the head of the Department of Finance. Provincial treasurers are heads of Provincial and District Treasuries, and while the staffs of other national departments are responsible to provincial administrators as well as the heads of the department concerned, provincial treasurers and treasuries are solely responsible to the Department of Finance.[175]

Local-Level Government

Under the new Organic Law a local government is an elective government whose role shall be to make laws for the purpose of governing the local community. Members of local governments include those elected to represent local wards, together with a representative of the trade union movement, and employer and women's organisations. During 1998 the previous district boundaries were changed and the number reduced from 103 to 89. This was so the districts would correspond with electorates.[176] Local governments have responsibility for a wide range of local matters, including labour and employment (but not industrial relations), provision of electricity and water, town and village planning, small scale industry, social services and local environmental concerns. However the 'revitalisation of a largely moribund and inefficient local government system will be difficult, after two decades of decay.'[177] The LLGs are divided into Council Wards, villages or groups of villages that elect a Councillor to represent their Ward on the LLG. Direct grants are to be made to the LLGs on the presentation of plans and budgets.

An important element of the organisational structure is the provision for Joint District Planning and Budget Priorities Committees, which is chaired by the Member of Parliament representing the district, and which includes the Member of Parliament representing the province as well as the heads of local governments in the district. These committees are responsible for overseeing and making recommendations on district planning (including budget priorities) for consideration by both provincial and national governments, determining budget allocation priorities for local governments within districts, drawing up rolling five-year development plans and annual budget estimates, and conducting annual reviews of development plans.

The law provides for potential sources of revenue for local governments in the form of community service taxes, fees and charges, taxes on public entertainments, fees for licences for general trading, domestic animal licence fees, corporation and personal head taxes as well as court fees and fines arising from local law. However, one of the other problems facing the provinces has been the withdrawal of banking services from some of the districts. This has been caused partly by the perception of a worsening law and order situation in the districts. But it has made it difficult for district cash offices to function. If this process cannot be reversed, it is difficult to see how district treasuries, let alone local-level treasuries, will be able to function.[178]

Performance of Provincial Governments

Relatively little detailed study has been undertaken of provincial government performance in PNG. One of the first studies by Standish, *Provincial Government in Papua New Guinea: Early Lessons from Chimbu,* focussed primarily on the politics of decentralisation in that province, but is relevant for the rest of PNG. Standish found that

> the creation of the provincial political arena brings the activities of government under political control at the level of the provinces, but that does not mean the end of politics below the provincial headquarters. Competition continues between whole sections of provinces, with districts and local government councils struggling for larger shares of government resources, and within them factions struggle for ascendancy. There is still rivalry between tribes and clans, and competition for leadership within them. Indeed the ancient conflicts between kinship groups and their allies are now more intense in the highlands than at any time since colonial pacification.

In PNG the provincial governments have essentially identical institutional designs and therefore differences between provinces in performance cannot be explained by this factor. There are, however, vast differences between provinces in terms of their economic endowments. One would therefore expect that the wealthier provinces had an advantage over their poorer counterparts in economic and financial resources. However, it seems that their respective levels of economic and human resources cannot explain the different levels of provincial government performance. For example, John Burton shows how Western Province, which is generally regarded to be one of the worst

performing provincial governments, has received substantial funding and 'by 1992, only Enga, a far more populous mining province, edged out Western for the top spot in the provincial rankings of overall funding.'[179] A summary of external funding to Western Province is provided in Table 1. A recent study of Western Province undertaken by AusAID found that the province 'is relatively wealthy compared to other provinces. But two dominant features of the provincial economy are a marked dualism and poor financial resource utilisation. The majority of the population is not significantly involved in the cash economy, receives few benefits from the province's income, and gets minimal service from government. These shortcomings are attributable more too poor administration and planning and a limited economic base than to a lack of financial resources.'[180]

Connell suggests that the structure of development between the provinces was predictable 'with development being a function of colonial contact, differences in the distribution of resources, transport infrastructure, plantation activity and the impact of urban centres.'[181] To some extent, during the early period of independence, this may have been true but the redistributive effects of National Government funding and the revenues flowing from natural resource projects will have altered this situation substantially. In his study of provincial government Axline found that:[182]

- the performance of provincial governments with a few exceptions ranged from poor to fair;

- strong political rivalry between national government and provincial governments led to disruptive intervention by national politicians and provincial politicians;

- skills shortages and lack of staff development programmes led to poor financial administration and financial control; there was a lack of any proper inventory of assets and inadequate maintenance of physical assets by the provincial governments; and

- local level governments with very few exceptions were in a very bad state, characterised by poor administration, misuse of funds by staff, and neglect by provincial government.

TABLE 1

Western Province external funding 1984-92 (Kina)

	1984 (1984 prices)	1984 (1991 prices)	1992 (1991 prices)
Western Province	8,266,904	11,821,673	23,948,200
Other Provinces (excl NSP & NCD)	190,186,170	271,966,223	312,865,500
Western Province (per capita)	96	137	208
Other Provinces	64	92	90

Source: Burton, J. op cit., p.160

However, Axline found that although many provincial governments have records of poor financial management, it is not clear that provincial governments are by nature poorer financial managers than the national government. The poor record of financial management on the part of provincial governments is no doubt partly due to the relative lack of skilled personnel and the lack of support on the part of the national government.[183]

There are many debates about whether administrative incapacity or financial incapacity is the major constraint faced by lower level governments in meeting their increased responsibilities. While it is true that there continue to be significant problems with the transfer of funds from the National Government to the provinces, financial constraints cannot explain the different levels of performance between provinces. AusAID's study of Western Province found that 'limited effective expenditure and results is not caused by a lack of financial resources so much as a largely non-functioning financial management system. Strong administrative leadership can result in reasonable financial management – such as in Balimo Urban LLG and perhaps the North Fly District administration.'[184] Table 2 shows the PNG National Government's grants to provinces in 1989, under the OLPG, and in 1995 under the OLPLLG.

TABLE 2

PNG National Government Grants to Provinces

Province	Popn (1990)	1989 (Estimated)	1996 (Budget)
Western	110,420	17,880.1	27,501.1
Gulf	68,737	8,659.8	20,042.2
Central	141,195	12,958.7	17,034.6
Milne Bay	158,780	11,912.7	21,408.1
Oro	96,491	8,362.8	18,739.6
S. Highlands	317,437	18,180.8	39,779.9
Enga	235,561	14,374.0	28,853.5
W. Highlands	336,178	18,973.7	30,845.7
Simbu	183,849	14,043.1	18,395.9
E. Highlands	300,648	21,110.4	32,248.8
Morobe	380,117	25,084.0	39,995.7
Madang	253,195	18,945.8	27,226.9
East Sepik	254,371	20,337.1	27,707.5
Sandaun	139,917	13,487.8	16,344.9
Manus	32,840	6,204.5	12,318.7
New Ireland	86,999	13,498.2	20,847.0
E.N.Britain	185,459	20,245.2	21,833.4
W.N. Britain	130,190	12,519.8	18,999.3
N.Solomons	154,000	n.a.	14,436.9

Source: Gupta, D and Ivarature, H. 1996, "The Organic Law in Papua New Guinea," in *Pacific Economic Bulletin* 11(2), p.11.

Often, however there are disputes between the provincial governments and the National Governments over the amount of funds that are supposed to be transferred. For example a recent newspaper article quoted the Western Highlands Administrator as claiming that the National Government owed his province K27 million between 1997-2000. The Administrator stated that provinces were entitled to receive derivation grants based on five per cent of the annual value of total exports produced in a province, but the National Government has continued to allocate less amounts to them. The Administrator of Simbu Province shared his comments.[185] Similarly Saundaun Province is heavily dependent on the National Government which makes up 95 percent of the province's total budget. However the Administrator has claimed that although the annual budget is over K25 million the funding allocation from the National Government is usually well below half that figure. Table 2 shows that as a comparison

Gulf Province, with a population of around 70,000 received from the National Government about K20m in 1996, while ENB Province, with a population of almost 190,000, received just K22m. In particular there are substantial National Government funds being provided to provinces which have a reputation for gross mismanagement e.g. East Sepik and Southern Highlands.

Under the previous OLPG the 'opposition to the notion of provincial government on the part of some national politicians, as a challenge to their power base, and especially financial mismanagement and corruption, led to the suspension of many provincial governments.'[186] However, the answer as to whether a lack of financial resources or administrative capacity is responsible for poor performance will probably vary considerably according to the provincial or local government in question. Clearly a large number of lower governments are ill equipped to handle the increased responsibilities they have been allocated, and in particular the setting up of district treasuries is a formidable task. These include difficulties associated with recruiting qualified staff being exacerbated by lack of housing and other infrastructure, including the supply of electricity for computers, communications equipment and other purposes.[187] It will take time to enhance administrative capacity and, in the interim, funding may not necessarily be the binding constraint. In contrast, for the more administratively advanced lower level governments, funding relative to responsibilities may well be a binding constraint and the accusation that they are not receiving sufficient financial support from the National Government may be well based.[188] However there is evidence that in the Eastern Highlands as more functions have been transferred to the province without the necessary funding from the national Government, the delivery of services has suffered. For example, there is a virtual absence of agricultural extension. Ironically, the creation of additional positions such as District Officers and local-level government officers has reduced the funds available for staff.[189]

The original provincial government system had a very chequered and controversial history with a large number of the governments being suspended amid allegations of corruption and mismanagement. Probably the major reason for this was that the original decision to decentralise government in Papua New Guinea was based in large measure on the great diversity of the country. For reasons explained elsewhere, the system of

provincial government that had arisen out of the demands of one province (Bougainville) was generalised to eighteen other provincial governments, and applied uniformly to them. All provincial governments were given the same powers and authorities regardless of their capacity to exercise them in a competent manner.[190] Sillitoe argues that provincial government 'foundered on the rocks of gross incompetence which allowed corruption to flourish.'[191] The PNG Auditor-General's 1992 audit report of fourteen provincial governments also found that:[192]

- most provincial governments had performed poorly and many had failed to deliver goods and services to the people;

- most provincial governments had experienced deterioration in matters relating to the control of accounts as well as in the maintenance of financial records and also in their presentations of financial statements;

- most provincial governments also displayed a tangible evidence of lack of proper management as well as a lack of financial discipline. Furthermore, many provincial public servants were said to have contributed to some of the delays experienced with the implementation of various government policies and projects. The overall negative consequences of these failures was the impact which was experienced by the national government's general macro-economic policies; and

- a number of schemes which some provincial governments undertook either failed to produce the desired results of suffered from lack of proper accountability.

Overall it seems that in line with the increased funding, the Organic Law also increased the responsibilities of the lower level governments at a time when a large number seemingly could not cope with their existing administrative and financial responsibilities.[193] The changes brought about have further increased the opportunities and power of individual national politicians, who now chair the key committees at district and province level that approve local plans and budgets. The OLPGLLG is likely to increase rather than decrease the demand for scarce accounting, administrative, planning and implementation skills. The Minister for Provincial and Local

Government Affairs told Parliament in June 1998 that the 'reforms implementation seems to have slowed. This appears due to a number of reasons, chief amongst them the fact that provincial reform action plans formulated by the provinces themselves are unrealistic and impractical. Some provincial reform committees, which were established to coordinate and drive the reform in the provinces, have become defunct and need to be resuscitated and revitalised. Other reasons are related to financial difficulties, political instability and ineffective administration.'[194] The lack of financial procedures and systems means that it is impossible to monitor expenditure or allocations across the sectors at province level and below.

Premdas argues that the 'problem of political allocation of values and resources central to the political process substantially revolves around ethnic calculations. It is distorted through the prism of ethnic considerations that become so powerful, such that the threat of succession, that ordinary economic sense in public expenditures is sacrificed at the alter of ethnic accommodation.'[195] In addition the grants from the national government are based on population data taken from the 1990 census, which significantly understate current population levels in many provinces. The census undertaken in 2000 may overcome this constraint, but there is a widely held view that this census was flawed. In the case of Western Province the AusAID study comments that the 'root of the problem may not be the inability of provincial staff to operate an appropriate financial management system so much as the non-enforcement of national law and the consequent inability of key financial officers in the province (such as provincial and district treasurers and auditors) to operate in a professional fashion.'[196] Finally a particular problem for the local-level government is that they do not have their own administrative machinery, and therefore they are largely responsible to the district administrators.

3.6. Conclusions

In PNG a system of provincial governments was established following independence primarily in order to account for the diversity in the country and to give a voice to the 'grassroots'. By establishing the system of provincial and local government the central authorities sought to take into account local and ethnic factors. PNG adopted modern

western government institutions to fit what is essentially, a communal social and economic structure characterised by a decentralised political structure. Traditional Melanesian society was based on consensus, gift giving, exchange and obligations. The notion of 'reciprocity' was central, and involves in various forms a complicated, shifting network of reciprocal obligations that continues over time. Such a network can operate on an intra-village or inter-village basis, and involve reciprocal obligations between individuals or groups.[197] The way in which exchange affected such control over behaviour was fairly straightforward. If a society has norms, which members observe and value very highly, that require them to engage in a continuous round of exchanges of valuables with others, then they must remain on amicable terms. They cannot wrong others wantonly (e.g. steal from them) or fight with them and still expect to exchange with them. Their personal reputation and esteem depend upon their participating to the best of their ability.[198] Sillitoe's view is that the traditional role of the big man and the exchange-founded interaction in Melanesia ensured cooperation and social order.[199]

However in reality the introduction of a decentralised system of provincial government in the late 1970s led to a gradual decline in the quality and coverage of these services, despite the rapid expansion in the size of the state. The rationale behind the provincial government system was to improve delivery of services at the local level. But, while the number of schools and aid posts increased, there is little doubt that the quality of services declined. This was due largely to a shift of resources away from local government, and from sub-district mission and state services, to the provincial centres, government headquarters and also to the discretionary budgets of politicians. Only in provinces where local government was already well developed was there a reasonably effective integration of provincial and local government. Provincial government in PNG has been through a period of major reform. The focus of the reform has been the organisational design of the governments and their economic and financial resources.

However the provinces simply reinforced the administrative boundaries established during the colonial period. There has been wide debate about whether administrative incapacity or financial incapacity has been the major constraint to their performance. However, thus far the reforms do not appear to have improved provincial government performance, and 'the people of Melanesia have governed themselves adequately for

thousands of years according to tribally instituted political conventions, but many today are critical of the centralised political systems that have usurped them. They thoughtful worry about the future. They realise that they cannot turn the clock back to pre-contact tribal times, but where, they ask, are they going?'[200]

Axline found that although many provincial governments have records of poor financial management, it is not clear that provincial governments are by nature poorer financial managers than the national government. The poor record of financial management on the part of provincial governments is no doubt partly due to the relative lack of skilled personnel and the lack of support on the part of the national government. The lesson to be learnt is that re-organising the structure of provincial governments is not sufficient, and such attempts thus far have not increased their effectiveness.

Notes

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CHAPTER 4

GOVERNMENT PERFORMANCE AND SOCIAL CAPITAL

'the most important implication of our research is that the relationship between social capital and institutional performance is characterised by complex dynamics.'[201]

4.1. Introduction

How might we better clarify, and disentangle, the numerous issues relating to the performance of government institutions? Robert Putnam in *Making Democracy Work: Civic Traditions in Modern Italy* stresses the importance of civil society and social capital in developing effective institutions.[202] For his analysis he uses the unique experiment begun in 1970 when Italy created new governments for each of its regions. These regions varied greatly from the standpoint of wealth, social structure and political leanings. The institutional performance of each region is measured by a composite index based on twelve elements. The index includes promptness in approving the budget by the regional assembly, the extent of legislative innovation, the provision of day care centres and of family clinics, industrial policy instruments, local health unit expenditures and bureaucratic responsiveness to citizens' queries.

Putnam concludes that the regions enjoying effective government in the 1990s have inherited a legacy of 'civic engagement' that can be traced back to the early Middle Ages. The stock of social capital in each region is measured by means of quantitative and qualitative indicators; in particular, voter turnout at referenda, and lack of candidate preference voting in political elections, newspaper readership and density of sport and recreation associations. Putnam views social capital as a set of 'horizontal associations' among people who have an effect on the productivity of the community. These associations include 'networks of civic engagement' and social norms. Two assumptions underlie this concept. The first is that networks and norms are empirically associated; and second, that they have important economic consequences. In his definition, the key feature of social capital is that it facilitates coordination and cooperation for the mutual benefit of the members of the association.[203]

Putnam's study was the first of its kind to analyse institutional performance and the role of social capital. This chapter provides a general overview of the two key terms, civil

society and social capital. Some of the more recent significant studies on the topic are then outlined. Finally the various means used for measuring government performance and the stock of social capital are described.

4.2. Civil Society and Social Capital

During the past two decades social scientists and policy-makers have increasingly referred to both the terms 'civil society' and 'social capital'. One explanation given for this is that in different, but similar ways, the concepts of civil society and social capital each address perceived failings of predominant economic models for explaining the social and political behaviour of individuals and groups within contemporary societies. In a number of developed countries the popularity of both concepts comes at a time when rational choice theory, built as it is on the assumptions of microeconomics, is making a serious bid to become the dominant concept in political science. The concepts have also gained substantial strength within sociology and anthropology.[204] There is a significant amount of literature seeking to define both terms and 'as an analytical concept, civil society and the sectoral models to which it is attached suffer from acute definitional fuzziness.'[205] The modern use of the term civil society came from the 18th century efforts to create a space for forms of association intermediate between the state and the individual. However the more recent revival of the term was in response to the "overgrown" states of the late 20th century.[206]

Although civil society has a long intellectual history, it is really only in the last twenty years that it has come to prominence in policy-making. There are a number of reasons for this, but most important has been the recognition that states and markets are but two components of an essential trilogy: 'society matters, social institutions count, and citizens make a crucial difference to the health of the polity and to economic success.'[207] In particular the disintegration of Soviet-style socialism and the resurgence of civil society in Eastern Europe have revived general interest in the concept of civil society. Generally speaking the characteristic institutions of civil society are the trade unions, professional associations, the independent media and other information sources, and other social and economic groupings which help to integrate different sections of

the community with one another. Many users of the term exclude private business, but include business associations such as chambers of commerce. Most importantly it is generally recognised that a 'healthy' civil society requires that these institutions do not represent mutually exclusive interests or outlooks.

Much of the current debate uses the term 'civil society' as it was first expressed by Alexis de Tocqueville, and 'although he did not use the term civil society in his penetrating study of democracy in nineteen-century North America, de Tocqueville saw the strength of associational life, the proliferation of voluntary associations at the local level, as a fundamental bulwark against potential abuses by an increasingly powerful central authority.'[208] In this study the term civil society is used to describe the area between the state, the individual and the market where individuals can form autonomous and group activities of various kinds. It is therefore seen to be constantly changing to reflect the institutions of the state and the interests of different groups.

We should also not confine our interest to governance in government, but should look to how civil society can contribute to promoting governance in government, and, indeed, look to civil societies' own systems of governance because[209]

> lack of state capacity is often viewed as a 'technical' problem to be remedied by strategic inputs targeted exclusively at state institutions. The question of a state's relations to its wider society and the extent to which these might themselves be a source of its limited capacity is rarely raised. The fragile legitimacy of the state in Papua New Guinea has all too often been ignored in the haste to build its institutional structures... Building trust and confidence in the principal agencies is an integral part of any sustainable institutional strengthening activities.[210]

We know that knowledge about public affairs and practice in everyday civic skills are prerequisites for effective participation.[211] Civil society organisations are generally taken to include industry associations, trade unions, commercial associations, employers' organisations, professional associations, advocacy groups, credit unions, co-operatives, academic and research institutions, the media, community based organisations (CBOs), NGOs, and not-for-profit and religious groups. Some definitions of civil society organisations also include political parties. The mass media can play a critical role in informing the community, and for building trust and cooperation. The

Department for International Development (DFID) believes that it is necessary to look to civil society 'as a means of strengthening government: particularly through the role of providing interest groups that can effectively influence the formulation of policy, that can challenge and exert pressure on government to uphold standards of policy implementation, and that can act as one of several key checks and balances crucial to the consolidation of strong government itself.'[212]

There are generally seen to be essentially two main roles for civil society as it relates to governance and the performance of government institutions. Firstly, civil society is seen as a means of strengthening government. It does this by providing interest groups that can effectively influence the formulation of policy, that can challenge and exert pressure on government to uphold standards of policy implementation and that can act as one of several key checks and balances crucial to the consolidation of strong government. Where this is based on broad participation it encourages 'values and behavior' necessary to maintain democratic government institutions. In other words, the contributions of groups and networks of private individuals to public debate helps shape values and standards of behaviour that become so widely accepted that they cannot be ignored, even by the state. Secondly, civil society organisations may act as a complement to government, sometimes performing roles on behalf of government or performing roles that it is better suited to undertake than government. It is sometimes argued that 'the closer we approach the industrial era, the more civil society expresses itself in highly institutionalised formal organisations such as trade unions, professional associations, independent political parties, pressure groups and other voluntary associations.'[213] Therefore it is often assumed that less developed societies are much less likely to be characterised by a strong civil society given the importance of 'personalistic patronage style relationships'.[214] Thus the higher degree of adherence to such things as democratic norms and limits on corruption in industrialised countries than in post colonial states is often explained in terms of a more 'developed' civil society.

As civil society increasingly received attention for its governance role there was more recognition of the role of social capital in facilitating and enhancing civil society. Particularly Putnam's work linked the concepts of civil society and social capital.

Generally speaking the term 'social capital' is used to refer to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions. There are a number of fields in which work on social capital is being undertaken, including families and youth behaviour problems, schooling and education; community life in physical settings and virtual settings; work and organisations; democracy and governance; general cases of collective action problems; and economic development.[215] Social capital as a concept can be seen as an attempt to rectify the failure of the rational economic model to incorporate non-market factors into its accounts of the economic and political behavior of individuals and groups. However the concept of social capital is still the subject of some heated debate in the social sciences.

The first recorded modern reference to the term 'social capital' was in the context of its importance for education and local communities by Hanifan in the United States.[216] A European sociologist, Bourdieu, in early discussions of the term noted that social capital is comprised of social obligations and he highlighted its difference from 'cultural' and 'economic' capital.[217] For Bourdieu capital can present itself in three fundamental guises: as economic capital, which is immediately convertible into money and may be institutionalised in the form of property rights; as cultural capital, which is convertible, on certain conditions, into economic capital and may be institutionalised in the from of educational qualifications; and as social capital, made up of social obligations (i.e. connections), which is convertible, in certain conditions, into economic capital and may be institutionalised in the form of a title of nobility.[218] In his definition social capital, as a network of connections, is not a natural given or a social given but something that must be worked for on an ongoing basis. His emphasis is on participation in social networks that provide access to the group's resources. Social capital is, therefore, a means of getting access, through social connections, to the economic and cultural resources that are keenly sought in capitalist societies. His emphasis is on participation in social networks that provide access to the group's resources and especially for Bourdieu social capital is a social product demanding social interaction.

The contemporary use of the term social capital probably first began with Coleman's work on school participation in Chicago.[219] He uses different terms from Bourdieu to

define social capital but basically constructs the same theoretical concept. Coleman introduced the concept of social capital into his research in order to provide a 'socialised' view of human action. In other words he seeks to answer the question, how is social order possible if each individual is maximising their self-interest? Classical sociology in the late nineteenth and early twentieth centuries sought to explain the role of social norms in contextualising and shaping rational action. Coleman's principal objective was to provide sociology with a robust explanation for human action. Coleman defines social capital in terms of its function as the value of aspects of social structure (i.e. obligations and expectations, information channels, norms and effective sanctions that constrain and/or encourage certain kinds of behaviour) to actors as resources that they can use to achieve their interests. However, unlike Bourdieu who allows social capital to be appropriated by individuals, Coleman regards it as a property of social interaction, and therefore not something that can be owned by individuals. Coleman uses the concept of social capital in how it works in creating human capital for individuals. For Coleman the difference between human and social capital is that social capital inheres in relations between individuals and groups, not in individuals per se. He illustrates the effect of social capital within the family, and in the community outside the family, through a study of the effect of a lack of social capital available to high school students on dropping out of school before graduation.

Robert Putnam uses the concept of social capital at a different scale to Bourdieu and Coleman; however his definition of the concept is drawn directly from Coleman. Like Coleman and Bourdieu he views social capital as facilitating action within social structures. He uses what is now regarded as a fairly narrow definition of social capital that refers to a set of horizontal associations between people, consisting of social networks and associated norms that have an effect on community productivity and well being. Unlike Coleman who focuses at the individual level Putnam is concerned to explain how social capital works at the regional level to support democratic institutions and enhance economic development at the national level. The focus on outcomes for regions distinguishes his work from Coleman and Bourdieu, but not in terms of the fundamental definition of social capital.

Putnam poses the question 'does the performance of an institution depend on its social,

economic, and cultural surround?'[220] For him the central question is 'what are the conditions for creating strong, responsive, effective representative institutions?'[221] His argument is that 'the practical performance of institutions...is shaped by the social context within which they operate.'[222] He also argues that 'rules are undoubtedly important, but as a basis for development advice this insight is incomplete for two reasons: First, it is far from clear that any particular set of formal rules is uniquely superior; at least in formal terms, for example, federalism is not closely correlated with superior economic performance. Second, and more important, the de facto institution of a country often is poorly reflected in its written rules.'[223]

Putnam poses the question as to whether 'modernity is a cause of performance (perhaps one among several), whether performance is perhaps in some way a cause of modernity, whether both are influenced by a third factor (so that the association between the two is in some sense spurious), or whether the link between modernity and performance is even more complex.'[224] In Putnam's analysis, the statistical relationship between regional variation in institutional performance and differences in the degree of civicness are found to be more significant than in the case of socio-economic variables. He concludes, 'some regions of Italy...are blessed with vibrant networks and norms of civic engagement, while others are cursed with vertically structured politics, a social life of fragmentation and isolation, and a culture of distrust. These differences in civic life turn out to play a key role in explaining institutional success."[225] He further argues that "it is enough to recognize that the performance of a regional government is somehow very closely related to the civic character of social and political life within the region. Regions with many civic associations, many newspaper readers, many issue-oriented voters, and few patron-client networks seem to nourish more effective governments."[226] Putnam found that it is not the degree of political participation that distinguishes regions with more or less social capital but its character. In particular he found that political leaders in regions with more social capital are readier to compromise than their counterparts in regions with less, and that "the least civic regions are the most subject to the ancient plague of political corruption."[227] All of this is taken to suggest that an effective government-citizen relationship is the outcome of successful solutions to dilemmas of collective action. Norms of reciprocity and networks of civic engagement favour this outcome, because they raise the costs of defection, facilitate information

among people, reduce uncertainty and provide models for future cooperation. For Putnam the essential link between social capital and institutional performance is that it:

- reduces the attractions of opportunism as is the case in game theory;
- it fosters social trust which makes political and economic transactions easier;
- it assists in the flow of information; and
- It provides 'templates' for future political and economic collaboration.

In summary for Putnam networks of civic engagement (ie neighbourhood associations, choral societies, cooperatives, sports clubs etc) are essential for social capital. They are essential because they foster strong norms of reciprocity – norms that in turn sanction those who do not reciprocate; sanctions that flow across overlapping networks via facilitated communication about the trustworthiness, or lack of trustworthiness, of particular individuals.

Applying the concept of social capital to the regional and national level raises new issues. In particular it raises the question of whether social capital necessarily has to result in outcomes that are mutually beneficial to all in the region or the nation – that is; must social capital result in common-good outcomes? Studies have now shown that social capital has costs as well as benefits; it can be a liability as well as an asset. This is sometimes referred to as the 'dark side of social capital'.[228] An early criticism of the social capital literature was that it failed to appreciate the forms and consequences of these costs. In some cases, aspects of social capital may have adverse effects. For example, strong group bonds can reduce tolerance of outsiders and create an undue focus on the group's needs to the detriment of the broader society. Putzel argues that the definition of social capital must recognise analytically distinct elements because:

> there is a need to distinguish carefully between what might be seen as the *mechanics of trust* (the operation of networks, norms etc) and the *political content and ideas* transmitted through such networks and embodied in such norms. We can see how the mere existence of networks and norms

> underpinning trust between individuals or groups can facilitate exchange by reducing risks and making behaviour more predictable. But whether or not these networks will contribute to democracy has much more to do with the political ideas and programmes transmitted through them.[229]

For members of cults, for example, group loyalties may be so binding that attempts to leave result in death; some successful members of immigrant communities have reportedly Anglocised their names in order to divest themselves of obligations to support subsequent cohorts. The idea of dark-side outcomes is integral to the original formulation of social capital by Bourdieu and Coleman. They focused on how social capital enabled individuals to gain a competitive advantage, either in economic or human capital terms. A broader understanding of social capital accounts for both the positive and negative aspects by including vertical as well as horizontal associations between people, and includes behavior within and among organizations, such as firms. This view recognizes that horizontal ties are needed to give communities a sense of identity and common purpose, but also stresses that without 'bridging' ties that transcend various social divides (e.g. religion, ethnicity, and socio-economic status); horizontal ties can become a basis for the pursuit of narrow interests. Bonding social capital can actively preclude access to information and material resources that would otherwise be of great assistance to the community.

The distribution of social capital will therefore be as important as its quantity since it may be available to individuals on an unequal basis. One approach to reconciling social capital's costs and benefits is to recognize that it is multi-dimensional, that different combinations of these dimensions might yield different outcomes. For example, 'while the poor may possess some forms of social capital, they may well be lacking in others, particularly those providing access to formal institutions.'[230] Recent literature distinguishes between bonding, bridging and linking social capital:[231]

- *Bonding* social capital refers to relations among relatively homogenous groups (such as an ethnic, religious or socioeconomic group), and it strengthens the social ties within the particular group.

- *Bridging* capital refers to relations between heterogenous groups, and it strengthens ties across such groups. Examples of bridging social capital include the civil rights movement and ecumenical religious organisations.

- *Linking* social capital refers to relations between individuals and groups in different social strata in a hierarchy where different groups access power, social status and wealth.

Studies highlight the importance of bridging social capital in societies characterised by considerable ethnic diversity. Trust limited within an ethnic group may promote norms of social interaction that are inward looking and less oriented to trust and co-operation at a broader community level.[232] A particularly strong focus on group interests can encourage 'rent seeking' behaviour by the group to the disadvantage of the wider community. In relation to bonding and bridging social capital, Putnam argues that both types bring benefits, but in different ways:

> Bonding social capital is good for undergirding specific reciprocity and mobilizing solidarity. Dense networks in ethnic enclaves, for example, provide crucial social and psychological support for less fortunate members of their community, while furnishing start-up financing, markets, and reliable labour for local entrepreneurs. Bridging networks by contrast, are better for linkage to external assets and for information diffusion. Economic sociologist Mark Granovetter has pointed out that when seeking jobs — or political allies — the 'weak' ties that link me to distant acquaintances who move in different circles from mine are actually more valuable that the 'strong' ties that link me to relatives and intimate friends whose sociological niche is very like my own... Bonding social capital constitutes a kind of sociological superglue, whereas bridging social capital provides a sociological WD-40.[233]

The OECD defines social capital as the 'networks together with shared norms, values and understandings that facilitate co-operation within or among groups'.[234] Hall, in his UK study, preferred measures of voluntary associations and informal socialising.[235] In a study that mirrors Putnam's study of United States, Hall examined social capital in Britain. He utilised various indicators to gauge five dimensions of social capital, namely: membership of voluntary organisations; volunteer work; charitable endeavours; informal sociability; and levels of social trust. He found that levels of social capital —

derived by considering all five dimensions together — 'have not declined to an appreciable extent in Britain over the post war years'. However, he also noted that the level of social trust declined over this time (from 56 per cent in 1959 to 44 per cent in 1990). The OECD points out that it is possible to distinguish at least four broad approaches to the concept:[236]

- one strand of the *economic* literature focuses on individuals' incentives to interact with others and, out of self-interest, to invest in social capital resources; while another explores the design and effects of formal and informal institutions;

- from a strand of the *political* science literature comes an emphasis on the role of institutions and political and social norms in shaping human behaviour;

- the *sociological* literature, from its analysis of the social determinants of human motivation, brings a focus on features of social organisation such as trust, reciprocity and networks of civic engagement; and

- a strand of the *anthropological* literature develops the notion that humans have natural instincts for association, providing a biological basis for social order.

Debates have focussed on the degree to which social capital stems from individual and institutional behaviour or from the inherent properties of social networks. The broadest and most encompassing view of social capital includes the social and political environment that shapes social structure and enables norms to develop. This analysis extends the importance of social capital to the most formalized institutional relationships and structures, such as government, the political regime, the rule of law, the court system, and civil and political liberties. This view not only accounts for the virtues and vices of social capital, and the importance of forging ties within and across communities, but recognizes that the capacity of various social groups to act in their interest depends crucially on the support (or lack thereof) that they receive from the state as well as the private sector. Similarly, the state depends on social stability and widespread popular support. Economic and social development thrives when representatives of the state, the corporate sector, and civil society create forums in

and through which they can identify and pursue common goals. Community development takes place when individuals work together for a common goal through collective action, and social capital is needed to provide the trust for people to work together. Strengthening civil society involves more than simply strengthening the capacity of groups and organisations to represent and address community needs and interests. It involves 'the forming of some civic institutions, as well as strengthening their capacity to engage with each other, with the state and with the market.'[237] Typically, the idea of social capital is associated with relations in civil society. However, relationships of trust and networks also involve public organizations and institutions. Social capital is embedded in norms and institutions, which include public and legal entities.

Trust refers to the level of confidence that people have that others will act as they say or are expected to act, or that what they say is reliable. A person's level of trust in another depends largely on the person's perception of the other's trustworthiness, although people can also 'invest' trust in others. While trust can relate to individuals, it can also relate to groups and institutions within a society, including governments. It is also possible to conceive of 'the general level of trust' within a particular society. While many authors treat trust as an element of social capital, others see it as an important source or outcome of social capital but caution against treating trust as social capital itself. Putnam shows that in the United States trust is "highly correlated with other measures of social capital related to civic engagement and social connectedness".[238]

Of particular relevance for policy makers, there is some disagreement about the role of government in social capital formation. The idea of social capital is most often associated with relations within civil society, but networks and relationships of trust also involve government institutions. One strand of the literature emphasises the potential for governments to 'crowd out' civil society and to weaken informal networks. Another strand argues that public governance based on commitment to public welfare, accountability and transparency provides a basis for trust and social inclusion, which can in turn strengthen social capital. Under this view, public governance has the capacity, in some circumstances, to complement rather than displace community-based networks and to reinforce trust. In summary there are some common features of the

definition of social capital:[239]

- All link the economic, social and political spheres. They share the belief that social relationships affect and are affected by economic outcomes.

- All focus on relationships among economic agents and the ways in which formal and informal organisations of these agents can improve the efficiency of economic activities.

- All imply that desirable social relationships and institutions have positive externalities. Since individuals cannot appropriate these externalities, agents tend to under invest in social capital, creating a role for public support.

4.3. Application to Government Performance

Is it possible to use Putnam's methodology in other countries, and explain differentials in institutional performance among governments with identical organisational forms? Putnam's approach, applied in the Indian context, showed that 'there is plenty of qualitative evidence from India to suggest that features such as the level of trust and norms of cooperation crucially impinge on social well-being and on the effectiveness of government actions. However, so far there has been no study attempting to assess the role of measurable aspects of social capital in accounting for observed differences in performance across Indian states.'[240] Measuring social capital is difficult but several studies have identified useful proxies for social capital, using various types of qualitative and quantitative research methods.

Renata Serra examined the possibility of replicating Putnam's methodology in the context of the Indian states.[241] In this study Serra discusses the available data for India at the state level, constructs some new indicators, and attempts some preliminary statistical analysis of the relationship between social capital and Indian State performance. Serra emphasises the specific empirical and conceptual issues one needs to pay attention to in the Indian context, and recommends that 'future research in this

area are to interpret data and design surveys very carefully; shift the focus from states as units of analysis, to either clusters of states identified according to historical and cultural features, or to select areas for fieldwork comparison; and finally, pay attention to the theoretical framework, in particular to the dynamics of the institutions - social capital relationship and to the role of education as a fundamental intervening variable in a country with widespread illiteracy such as India.'[242] The main conclusion is that 'even when there is an indication of a statistical association between measures of social capital and performance, this association may be spurious or the line of causation doubtful.'[243] In the Indian context poor performances have been explained in terms of previous historical experiences (more exploitative colonial domination), archaic productive relations in the countryside, lack of social change, ideology of the state in power, type of family systems etc. All these elements, although sometimes studied separately, are inextricably linked to one another. In particular, it seems that political failures at the top are as important causes as corruption of the local bureaucracy, and malfeasance or inertia on the part of the population. There might be a common root for the observed government inefficiency, bureaucratic corruption and inertia of the people in some Indian states. The question is whether this is at all similar to the one Putnam has found for Southern Italy, namely low mutual trust, absence of the conditions for individuals to pursue collective endeavours, lack of historical experience of cooperation - in summary, what Putnam calls a lack of 'social capital[244]

In the study Serra addresses the problems of arriving at a measure of the degree of society's 'civicness' in India. Serra recognises that the extensive participation of the masses in political life has been a notable feature in India since independence and he uses as a measure of political participation figures on voter turnout at assemblies' elections. Serra found that the only data on membership in associations at the Indian State level are those available from the Ministry of Rural Development in relation to a number of associations constituted under government initiatives. Similarly there is no comprehensive survey on newspaper readership in India or on access to media in general, which would indicate to what extent people are able to get information on issues relevant at the local or state level.

Serra found that a survey conducted by the Centre for the Study of Developing Societies

(CSDS), the *1996 National Election Study Post-Poll Survey*, is the only one which allows a comparison of aspects of social capital across states. Although the survey is conceived as a post-poll survey, aimed at analysing voting patterns and changing political allegiance of the electorate, it also asks questions on social structures of participation and cooperation. In particular, thirteen questions are relevant to the social capital concept. They identify broadly two areas, the first on electors' views about their community, the role of elections and their representatives and officials; the second covering electors' participation in community and public affairs: membership in associations, extent of contact with public officials and media usage.'[245] Serra concludes that the most important implication is that the relationship between social capital and institutional performance is characterised by complex dynamics. Whereas people's involvement in public affairs and their civic character might be important to explain current government performance, these elements are also affected by education, which is itself a product of previous policies. Future research must therefore address this issue and disentangle the elements of this relationship. This might imply re-qualifying the frequently made policy recommendation to invest in social capital. A more relevant point could be that public policy, in so far as it promotes universal education, might have a great impact on social capital.[246]

A recent study of villages in rural Tanzania found that households in villages with high levels of social capital (defined in terms of the degree of participation in village-level social organisations) have higher adjusted incomes per capita than do households in villages with low levels of social capital.[247] Although no general conclusions could be drawn about the impact of social capital on government performance, the study points to a number of important linkages, including a positive association between social capital and the quality of local schooling. More recently Narayan has analysed two aspects of social, namely 'cross-cutting ties' and the interaction between informal and formal institutions. She concludes that by applying the concept of social capital a number of new policy approaches are suggested which can stem from civil society, the private sector, or the state and cover a wide range of fields, including: changes in rules so as to include those previously excluded in formal governance structures, at local, regional and national levels; political pluralism and citizenship rights; fairness for all social groups before the law; public access to mediation, conflict resolution or negotiation

councils; availability of public spaces that bring social groups together; infrastructure that eases communication; education, media and public information policies that reinforce the norms and values supporting tolerance and respect for diversity.[248]

Matthew Morris in his study of *Social Capital and Poverty in India* focuses on poverty at the state level in India and asks the question: have those states with larger endowments of social capital been more successful at reducing poverty?[249] In order to answer this question he constructs an econometric model of poverty that not only captures the effects of physical and human capital, but also includes social capital as a determinant of poverty. Morris concludes that there is some evidence to support the hypothesis that a state's endowment of social capital does affect the ability of that state to reduce poverty. He introduces an important distinction that 'in conceptualising social capital a distinction can be made between formal and informal social capital. Formal social capital refers to formally defined patterns of behaviour, norms of exchange, networks and institutions. Informal social capital refers to those networks (between individuals, families and groups) which operate outside of this formal system.'[250]

Putterman in his article *Social Capital and development capacity: the example of rural Tanzania* asks two questions: 'how and when do cultural conditions facilitate or retard economic development?' and 'are there any cultural preconditions for development?'[251] He sees social capital as an expanded form of human capital: broadened to consider its social and cultural dimensions, and the importance of informal learning. He concludes that 'human capital needs to be understood as a socially embedded and multi-dimensional phenomena that takes time to be reshaped and to be accumulated.' Putterman argues that social capital augments human capital and facilitates economic development through increasing a country's capacity to absorb modern technologies and forms of organisation. Therefore changes in attitudes, practices and knowledge, though not necessarily correlated with indicators of economic development, may contribute to the potential of such development.

Rose argues in *Social Capital: definition, measure, implications*, that using the number of formal institutions in a society as a measure of social capital are insufficient because it ignores important informal social networks.[252] It is stressed that far more people rely

on informal social capital than on formal institutions of state and market resources to deal with these problems. Rose uses sample survey techniques to collect data about behaviour, including interaction with national institutions of civil society and the state.

- Types of social capital are identified by asking the question: 'on whose help do you rely in the first instance when having problems?'

- The significance of social capital for coping in transition economies was measured by considering the 'percentage able to get by in a year without spending savings or borrowing.'

- Social capital for social protection was measured by asking 'whether a friend would loan as much as a week's wages if you're household was very short of money.'

Knack and Keefer in there study *Does Social Capital Have an Economic Payoff? A cross country investigation* use data from the World Values Surveys and other sources to look at the relationship between interpersonal trust and norms of civic cooperation, and economic performance.[253] The World Values Survey provides national data on basic values and beliefs in a number of developed and developing countries. The survey was first conducted in the early 1980s. Further surveys were conducted in 1991–93, 1995–97 and 1999–2000. Many researchers have used responses to the 'trust' question in the World Values Survey as an indicator of the level of social capital. Survey respondents are asked: Generally speaking, would you say that most people could be trusted, or that you can't be too careful in dealing with people?

In the study the measure of trust was the percentage of respondents who replied that 'most people can be trusted' and the strength of norms of civic co-operation was measured by people's attitudes, measured on a scale of 1 (always justifiable) to 10 (never justifiable), as recorded in the survey, to the following:

- claiming benefits when you are not entitled to;
- avoiding a fare on public transport

- cheating on taxes if you have the chance;
- keeping money that you have found; and
- failing to report damage you have done accidentally to parked vehicles.

Knack and Keefer found evidence that social capital is a determinant of measurable economic performance. While they found a significant positive relationship between trust and civic norms and economic growth they also discovered that 'group membership is not significant in either growth or investment equations.'[254] They explained the apparent insignificance of associational activity as a predictor of growth by suggesting that the positive effect Putnam gave this variable in encouraging greater cooperation in society would be countered by the negative effects associations might have on growth when they act as "rent seeking organisations". They came to the crucially important conclusion that the determinants of the significant social capital variables are stronger in countries where 'low social polarization, and formal institutional rules that constrain the government from acting arbitrarily, are associated with the development of co-operative norms and trust.'[255] This suggests that social capital can only enhance state capacity and economic growth where it promotes social cohesion. There is ample evidence of communities where social ties between members are strong but do not enhance social cohesion. This supports Tendler's conclusion that social cohesion may be strengthened where public servants strive to develop 'bridging social capital' between government agencies and the community. However one difficulty with such questionnaire measures is that it is not clear if respondents interpret the meaning of "trust" or "most people" in the same way in different cultures.

Helliwell and Putnam in *Economic Growth and Social Capital in Italy* use Italian data on social capital to test the hypothesis that some Italian regions have been able to establish and maintain higher levels of output per capita by virtue of greater endowments of social capital.[256] They measure three variables, namely:

- An index of civic community - made up of a measure of political behaviour of citizens (newspaper readership and the availability of sports and cultural associations) and a measure of the breadth and depth of civic community (turnover in referenda and the incidence of preference voting).

- An index of institutional performance - a composite measure on the comparative performance of regional governments. It covers 12 separate elements from timeliness of budgets to legislative innovations.

- An index of citizen satisfaction - the share of respondents who were 'very' or 'rather' satisfied with their regional government.

In *Government Failure, Social Capital and the Appropriateness of the New Zealand Model for Public Sector Reform in Developing Countries,* Wallis and Dollery seek to determine the implications of the government failure and social capital models for policy implementation.[257] In particular the authors evaluate the New Zealand contractualist approach to public management reform from a social capital perspective. Wallis and Dollary found that while the New Zealand model may offer a comprehensive package of 'contractual solutions' to the problems of government failure, they may sometimes hinder the development of social capital, which is sometimes required to enhance government capacity. They conclude that 'policies to re-invigorate state capacity ought therefore to give as much consideration to the role of government agencies in fostering social capital as they do to ameliorating problems of government failure.'[258]

La Porta et al. (1997) and Knack (2000) examined the relationship between social capital and governmental performance using cross-country analysis for 29 (mainly developed) countries. The trust index from the World Values Survey was used as a proxy for social capital. The authors reported that a one standard deviation rise in trust (holding GNP constant) was associated with a 7 percentage point increase in judicial efficiency, a 3 percentage point fall in corruption, a 3 percentage point increase in bureaucratic quality and a 5 percentage point increase in tax compliance.

The literature contains numerous suggestions for government actions to build or support social capital. They cover an extremely broad array of matters, including parenting practices, education, and urban design, working hours, volunteering and civic participation, welfare provision, competition policy, corporate ethics, public liability, home ownership, the size of government and the conduct of public policy itself. Different proposals reflect different theories and understandings of social capital and how it is created and sustained (or destroyed). While some of the proposals address what are seen as the broad determinants of social capital, others are intended to influence social capital or its sources and outcomes more directly. Some call for active government programs to create new social capital. Others would entail changes to the way governments deliver the services they provide, and/or the devolution of responsibilities to people and organisations at the local level, with the aim of stimulating latent social capital in communities. The role of government in sustaining social capital is less clear than in the case of human capital. It may often have the role of facilitator, rather than main actor. At the same time, government and other public agencies have a diffuse, but collectively powerful influence on social capital formation. Agencies whose actions have influence on social capital are spread throughout government and the voluntary and private sectors. Local and regional levels of government will often have particularly important roles.[259] A very recent report by the Australian Productivity Commission suggests that:

- Understanding how proposed policy interventions will affect the power and political interests of the stakeholders is a vital consideration, since all policy interventions occur in a social context characterised by a delicate mix of informal organisations, networks and institutions.

- It is critical to invest in the organisational capacity of the poor and to help build bridges between communities and social groups.

- Information disclosure policies at all levels encourage informed citizenship and accountability of both private and public actors.

- Improvements in physical access and modern communications technology can foster information exchange across social groups and should be emphasised to complement social interaction based on face-to-face interchange.

- Social networks of the poor are one of the primary resources they have for managing risk and vulnerability, and outside agents therefore need to find ways to complement these resources, rather than substitute for them.

4.4. Social Capital and Ethnicity

A number of recent studies have directly addressed the issue of ethnic diversity and social capital. In a World Bank study of economic growth in Africa, Easterly and Levine found that ethnic diversity was negatively correlated with economic growth, schooling attainment, and availability of infrastructure and sound government policies across a number of African states.[260] They infer from their results that ethnic diversity may make it more difficult for the political process to come to cooperative decisions about the allocation of public resources. Similarly, Rodrik argued that ethnic fragmentation was associated with a range of negative outcomes, including economic growth and income inequality.[261] However, the measure of ethnic diversity used in both of these works was drawn from a discredited Russian study from the 1950s, rendering the explanatory value of their results questionable.[262] Bates, in *Ethnicity, Capital Formation and Conflict*, studies how ethnic fragmentation in Africa affects political institutions, the potential for political violence, economic outcomes, and resistance to political reform.[263] He finds that 'ethnicity is double edged. On the one hand, ethnic groups promote the forces of modernization; phrased more fashionably, they constitute a form of social capital ... On the other hand, ethnic groups organize politically; occasionally they engage in acts of violence, destroying wealth and discouraging the formation of capital. Ethnic groups can thus both generate benefits and inflict costs on societies.'[264] Finally, and most recently, Varshney looked at the impact of ethnic bonding, social capital and communal violence in India.[265] He argued that more distinction needed to be made between social capital formation within ethnic groups (ie, 'bonding' social capital) and the form of cross-cutting forms of civic engagement that takes place between groups ('bridging' social capital), and that only the latter is an

agent of ethnic peace. According to Varshney, the different effects of the two forms of social capital can explain why some Indian cities have been able maintain Hindu-Muslim peace, whereas other cities suffer endemic violence.

Collier in *The Political Economy of Ethnicity* investigates the effects of ethnic diversity on economic performance and the risk of violent conflict.[266] He finds that ethnic diversity may have various detrimental microeconomic effects, tending to reduce public sector performance, increase patronage, and lower the level of trust among individuals. Ethnic diversity can reduce income by reducing trust and thereby raising transaction costs. However he concludes that whether ethnic diversity adversely affects overall economic growth depends on the political environment. Ethnic diversity is only highly damaging to economic growth where there are limited political rights, and highly ethnically diverse countries are less susceptible to violent conflict than more homogenous societies. He concludes that a lack of political rights is economically ruinous in ethnically highly fractionalised societies.[267]

These studies highlight the fact that there is 'good' and 'bad' social capital, particularly when it comes to the interplay between social capital and ethnic group formation. Social capital has costs as well as benefits; it can be a liability as well as an asset. Indeed, an early criticism of the social capital literature was that it failed to appreciate the forms and consequences of these costs. One particular example of negative social capital examined here is the phenomenon of ethnic tribalism: the formation of political units based on a common conception of ethnic origin and identity that compete with other similar groups for resources and prestige. These groups typically evidence very high levels of internal social cohesion and trust, but minimal levels of these same desirable qualities when it comes to their relations with other groups. They evidence 'bonding' but not 'bridging' forms of social capital. Bonding social capital fortifies ethnic allegiances, reinforcing exclusionary attitudes and behaviour. Bridging social capital promotes the formation of new links of cross-cutting behaviour which, in theory, 'bridge' these ethnic differences, creating the basis for new kinds of relationships which promote conflict management and help to break down tribal attachments.

Putnam's analysis of civic traditions in Italy focuses primarily on 'horizontal'

associations in which members relate to each other on an equal basis. Putnam's focus is the relationship between civil society and the state and in particular '*Making Democracy Work* compels social scientists to reconsider the causes of economic and political development. Yet, the relationship between state performance and civil society remains theoretically and empirically unresolved.' [268] However state - civil society relations are crucial to understand the context of institutional conditions in which developmental strategies evolve. The major issue for Putnam is how social trust, that is trust among those lacking intimate knowledge of each other, develop and is maintained in a society, and the 'answer that Putnam provides is only partially satisfying. It may be correct but is incomplete. He claims that trust has two sources: norms of reciprocity and networks of civic engagement and the first are likely to be a function of the second.'[269] Putnam argues that bird-watching societies, soccer clubs, choral groups and the like engender sufficient interpersonal trust and assurances so that citizens are able to overcome the free rider problem, organise, and then effectively sanction governments that are not performing well. Moreover, the pluralist and crosscutting cleavages of an active citizenry ensure that the demands will be democratic in overall effect. However Levi questions this idea and argues that 'to determine whether there is a connection between such memberships and generalized trust requires a more precise concept of trust than Putnam offers... I believe trust is more likely to emerge in response to experience and institutions outside the small associations than as a result of membership.'[270]

Nonetheless, it remains an empirical question, still inadequately explored despite the high quality of this research, that good government is the result of an interaction between a civic-minded citizenry and civic-minded government actors. Rodriguez argues that 'while one can understand that the core of Putnam's argument is the capacity of particular civil associations to socialize their members into norms of reciprocity, the alleged autonomy and neutrality of the associations gives false foundations – in my view – to their capacity of reinforcement of good governance.'[271]

A growing body of evidence shows that incorporating the poor into the design and implementation of development projects helps not only to produce more appropriate projects, but also ensures that they are better targeted to reach those with the greatest needs. Brown and Ashman in *Participation, Social Capital, and Intersectoral Problem*

Solving: African and Asian Cases, provides a comparative analysis of 13 cases of intersectoral cooperation among public agencies, nongovernmental organisations, grassroots groups, and international donors. Their analysis found that different forms of social capital were central to the successful implementation of participatory projects. They found that 'the creation and strengthening of social capital in the form of local organizations and networks is an essential task in building intersectoral cooperation that mobilises and utilizes local resources and energies for problem solving.'[272] Their case studies showed that social capital is both an important bases for cooperation across sector and power differences and that it is an important product of such cooperation. In the course of these programs, 'local organizations were strengthened or created; bridging NGOs expanded their activities and their credibility with other actors; norms of reciprocity, cooperation and trust were established among previously unrelated or antagonistic parties.'[273] However, 'the sceptics acknowledge that strong social networks and a dense web of civic associations are likely to facilitate certain aspects of economic performance. However, they don't accept that these improvements necessarily result in lower levels of poverty, inequality, violence and social exclusion. What makes the difference to those goals are particular configurations of social capital, civil society, state-society relations and many other factors, all acting together. These configurations cannot be engineered, subjected to universal prescriptions, or captured by the language and methods of the economist.'[274] States, firms, and communities alone do not possess the resources needed to promote broad-based, sustainable development; complementarities and partnerships forged both within and across these different sectors are required.[275]

However, the strongest critiques to Putnam's 'reworking' of democracy question his premise on the existence of a path dependency or historical determination for the accumulation of social capital along with his strategic disregard of the state as principal actor in the experiment of Italian regionalisation.

4.5. The Theoretical Framework

An important issue to address is how social trust develops, and is maintained within a

society and particularly between society and government. Putnam argues that trust has two sources i.e. norms of reciprocity and networks of civic engagement. In his argument this is the key link between social capital and institutional performance. The focus of my research therefore is on the relationship between these two variables. This involves the application of regression analysis. The approach is to focus attention on the dependent variable, and to study its relationship with a number of relevant independent variables. Specifically in this study we are seeking to determine the effects of the different independent variables on the dependent variable (i.e. institutional performance), by estimating the 'unique variance' each independent variable accounts for. We would like to be able to say which independent variable (e.g. the stock of social capital) are the most, and which are the least important in accounting for variance in the dependent variable (institutional performance). We are trying to identify which factor(s) bring about change in the dependent variable. If Putnam's theory is correct then if we strengthen norms of reciprocity and 'networks of civic engagement' then 'trust' will be enhanced. Enhanced 'social trust' should then promote improved institutional performance. This is important knowledge for us if we are seeking to identify strategies to improve institutional performance because as Putnam states:

> a society characterized by generalized reciprocity is more efficient than a distrustful society, for the same reason that money is more efficient than barter. If we don't have to balance every exchange instantly, we can get a lot more accomplished. Trustworthiness lubricates social life. Frequent interaction among a diverse set of people tends to produce a norm of generalized reciprocity. Civic engagement and social capital entail mutual obligation and responsibility for action.[276]

This is not the first study of social capital in PNG. In 1998 a 'Social Capital Working Group' (SCWG) was established on the initiative of the UN Resident Representative in PNG. The SCWG comprised a wide range of individuals from donor organisations and academia. De Renzio and Kavanamur published a paper, the draft of which was the subject of the group's discussion, and which studied social capital in PNG in terms of the 'wantok' system and bigman patronage. The paper discusses the concept of social capital particularly emphasising the diversity of definitions. It then focuses on the sources of social capital such as cross sectoral linkages, political capital etc. The paper recognised that the 'wantok system' constitutes a source of social capital but that

'despite its positive effects and its strong "embeddedness" in Papua New Guinea society, the wantok system seems to lack an appropriate level of "autonomy" that would allow for broader and more positive development impacts.'[277] Significant costs identified include as a disincentive to work, and the negative impacts on the public service 'where often appointments are made based on nepotism along kinship lines, and where there is a widespread lack of coordination and cooperation between groups belonging to different regions or clans.'[278] The paper suggests some broad strategies that might be adopted by governments to redress some of the negative effects of the "wantok" system. They also argue in their paper that PNG is characterised by vertical links of patronage and dependence similar to those existing in Southern Italy as described by Putnam. They explain that the lack of appropriate mechanisms for participation and accountability in the form of cross-sectoral linkages instead allows for the exploitation of public resources by individuals and reinforces the dependency and patronage that characterise state-society relations.[279] What is not clear from the paper is why the "wantok" system was chosen as the most significant source of social capital in PNG. Further, unlike this study, there is no attempt to quantify the relative importance of the various sources identified.

Bonding and Bridging Social Capital

It was explained earlier that an important distinction in the literature has been made between the particular type of social capital in a particular context. Bonding social capital refers to relations among relatively homogenous groups (such as an ethnic, religious or socioeconomic group), and it strengthens the social ties within the particular group. Whereas bridging capital refers to relations between heterogenous groups, and it strengthens ties across such groups. A number of studies highlight the importance of bridging social capital in societies characterised by considerable ethnic diversity. Trust limited within an ethnic group may promote norms of social interaction that are inward looking and less oriented to trust and co-operation at a broader community level.[280] A particularly strong focus on group interests can encourage 'rent seeking' behaviour by the group to the disadvantage of the wider community.

One particular example of negative social capital relevant in the PNG context is the

phenomenon of ethnic tribalism: the formation of political units based on a common conception of ethnic origin and identity that compete with other similar groups for resources and prestige. These groups typically evidence very high levels of internal social cohesion and trust, but minimal levels of these same desirable qualities when it comes to their relations with other groups. They evidence 'bonding' but not 'bridging' forms of social capital. Bonding social capital fortifies ethnic allegiances, reinforcing exclusionary attitudes and behaviour. Bridging social capital promotes the formation of new links of cross-cutting behaviour which, in theory, 'bridge' these ethnic differences, creating the basis for new kinds of relationships which promote conflict management and help to break down tribal attachments.

Therefore in the case of PNG it is generally recognised that ethnicity is likely to be an important factor impacting on social capital. For example, the *PNG Human Development Report* explains how village organisations are typically divided into two main categories - traditional and introduced structures. The traditional structures are the tribe and clan, with elders or chiefs providing strong cultural and social leadership. The report explains how clan groupings are very capable of organising and implementing activities and programs. Clans encourage sustainability of values, norms, and principles. Traditionally, clan leaders hold authority and are well respected by villagers. The respect for elders in rural villages contributes to peace and harmony. The influence of traditional leadership is therefore found to be strong and often overrides that of government representatives. This is especially apparent in remote villages although it is still an important factor in most villages. Leaders also generally mediate disputes, law and order issues, and rights to local resources.[281]

Many political theorists now distinguish 'civil society' from 'state', by using the first to denote forms of association which are spontaneous, customary, and in general not dependent upon law, and the second to denote the legal and political institutions which protect, endorse, and bring to completion the powerful but inarticulate forces of social union. Li Puma argues that 'the form and content of the contemporary nation-state were imported into the Pacific thanks to and as the offshoot of, occupation by European powers. As a result, what existed of civil society under the colonial administration was a form of public sphere and discourse whose function was to legitimise, underwrite, and

otherwise locate the virtues of colonial rule.[282] The process then embarked on is one of 'nation building' which refers to 'the moulding of a common set of outlooks, orientations, and loyalties towards an integrated national community. The task of nation-building in the context is to recast the particularistic and parochial orientations of the subgroups in the multiethnic state so that a new unifying consciousness and commitment is erected around national symbols, myths, and aspirations.'[283] The problem for the new nation-states of Melanesia, particularly those such as Papua New Guinea, which is well known for its cultural heterogeneity, it is not only in trying to resolve the tensions between these concepts, but also in the reality that the entire notion of civil society is, as Chatterjie eloquently argues, 'Eurocentric in an important way: there is no space or allowance for 'community'. This concept of civil society has no space for regionalism, ethnicity, and the other factors that determine nation making in the Pacific.'[284] Ralph Premdas argues that in PNG

> especially after World War II, the country was dramatically transformed as Australia, in hurried frenzy, pumped millions of dollars into the economy to prepare for self-government. Large numbers of Papua New Guineans were caught up in this radical transformation process that would modify and recast their ethnic and class identities. From a simple traditional society, a complex and highly differentiated social and economic order had emerged. Ethnic claims to identities, malleable and impoverished became pervasive, serving as defence mechanisms and stabilisers in a turbulently changing world. The ethnic dimension emerged as a salient prism through which most development efforts were interpreted and directed. In some instances, the ethnic factor became a formidable force in defining national issues and allocating scarce resources.[285]

Also in these countries there is a general distrust of government because 'there is a widespread belief that government is a form of patron-client relationship, between those with power and access to resources and those without.'[286] However, the formation of civil society is a critical dimension of the emergence of 'the nation' because civil society is the way in which a nation becomes a putative actor in relation to the state. This permits 'the people' to press the claim that the role of government or state is to serve the 'needs' of that nation – that is, to act politically as if the state is separate from and subordinate to the citizenry.[287]

Tony Regan examines the possibility that popular participation and civil society might

offer hopes of increased acceptance of limits on the state in Melanesia in the future. He finds that there is little evidence so far for any significant impact from a Melanesian civil society. He concludes that in Melanesia, small pre-state structures with their own norms are the primary sources of identity and the main centre of loyalties of most individuals, often undercutting national identity and support for the state. With such different political and economic forces at work, it is most unlikely that either constitutionalism or civil society will develop in the same way in the Melanesian countries as they have in the West.[288]

4.6. Measuring Government Performance

In order to answer the research problem what data is needed to measure government performance, and how should it be collected and analysed?

In his study for each regional government Putnam sought to evaluate the policy processes; policy pronouncements; and policy implementation. Putnam begins with three measures of policy processes and internal operations: cabinet stability, budget promptness, and statistical and information services. Next his analysis went beyond 'process' measures and considered the content of policy decisions. He did this based on a comprehensive examination of regional legislation i.e. reform legislation and legislative innovation. Finally he considers policy implementation, and he uses six indicators to measure a region's capacity to carry out policy in virtually all of the major sectors of regional government activity, including public health, social welfare, industrial and agricultural development, and housing and urban policy. The first two of these indicators represent direct service delivery; the next one reflects the repertoire of policy tools deployed by each region; and finally three focus on how effective the regional governments were at using funds offered to them by the central government ('spending capacity'). The measures were: day care centres, family clinics, industrial policy instruments, agricultural spending capacity, local health unit expenditures and housing and urban development. Putnam used as measures the promptness in approving the provincial budget, provision of schools and health clinics, and bureaucratic responsiveness to citizens' queries amongst others.

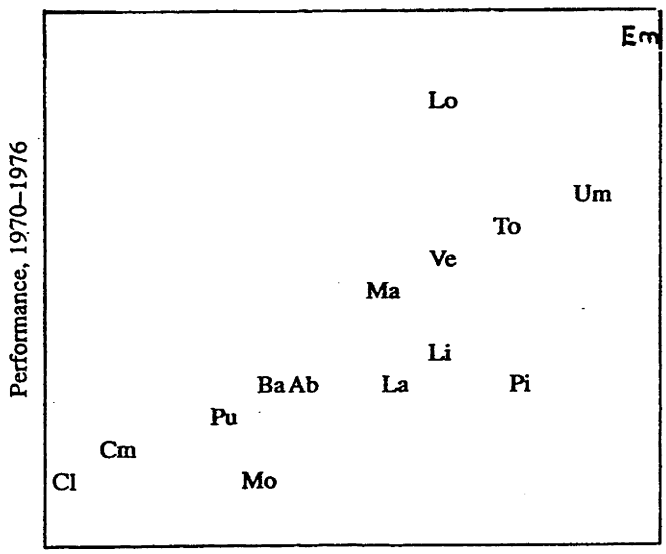
Between 1976 and 1989 Putnam conducted case studies on the internal politics of the regional institutions, and on political developments within each of the six selected regions. He and his colleague's made regular visits to the six regions to meet with political leaders, party representatives, top civil servants, interest group leaders, and others, and 'we became personally acquainted with key participants in the political and economic life of the region, from whom we gained an intimate knowledge of the internal political maneuvering and personalities that have animated regional politics over the last two decades.'[289] Figure 2 compares the results for the performance of the Italian regional governments during two analyses in the 1970s. The results show a high degree of stability in performance between periods.

To confirm his measures of institutional performance of the regional governments Putnam surveys the level of citizen satisfaction with regional government, and which is shown in Figure 3 below. The results generally provide a confirmation of the accuracy of his performance measures.

In general, for my analysis, I adopt the same definition as Putnam that 'the concept of institutional performance in this study rests on a very simple model of governance...Government institutions receive inputs from their social environment and produce outputs to respond to that environment... A high-performance democratic institution must be both responsive and effective: sensitive to the demands of its constituents and effective in using limited resources to address those demands.'[290] It has been argued that 'it seems that political capital in Papua New Guinea is characterized by vertical links of patronage and dependence similar to those existing in Southern Italy, as described by Putnam.'[291] An important aim of my research is to test this theory.

FIGURE 2

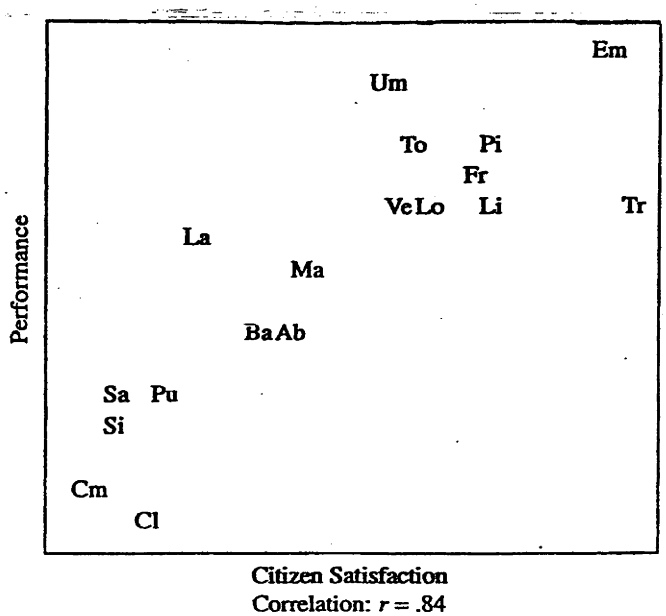
Putnam - Institutional Performance, 1970-1976 and 1978-1985.



Source: Putnam, R. op cit., p.76.

FIGURE 3

Putnam - Institutional Performance (1978 - 1985) and Citizen Satisfaction (1977 - 1988)



Source: Putnam, R. op cit., p.77.

4.7. Measuring Social Capital

Social scientists have been attempting to measure social capital under different forms (level of trust, extent of inter-personal commitments, density of social networks, number of tertiary associations, social homogeneity, political participation), and at various levels (the community, the village, the region, the state).[292] As a result a number of important themes have emerged:[293]

- The notion of more or less dense interlocking networks of relationships between individuals and groups. People engage with others through a variety of lateral associations. These associations must be both voluntary and equal.

- The individual provides a service to others, or acts for the benefit of others at a personal cost. They do this in the general expectation that this kindness will be returned at some undefined time in the future.

- We act this way based on confidence that others will respond as expected and will act in mutually supportive ways.

- There are social norms, which provide a form of informal social control, that remove the need for more formal institutionalised legal sanctions.

- The combined effect of trust, networks, norms and reciprocity creates a strong community, with shared ownership over resources known as the 'commons'. As long as community is strong, it removes the problem of the opportunist who would use the community resource without contributing to it.

- The development of social capital requires the active and willing engagement of citizens within a participative community.

Obtaining a single, true measure of social capital is probably not possible, for several reasons. Firstly, the most comprehensive definitions of social capital are multidimensional, incorporating different levels and units of analysis. Secondly, the nature and forms of social capital change over time, as the balance shifts between informal organisations and formal institutions. Thirdly, because no long-standing cross country surveys were initially designed to measure social capital, researchers have had to compile indexes from a range of approximate items eg measures of trust, confidence in government, voting trends and social mobility. Given that in Putnam's analysis civic community in Italy is characterised by active participation in public affairs, horizontal relations of reciprocity and cooperation, bonds of solidarity and trust, and distinctive social structures and practices characterised by thriving local associations it should be possible to construct relevant indicators for a similar context.

For measuring social capital there is usually a reliance on secondary sources of data, but also the appropriateness of conducting surveys, and field observation is relevant. Some of the possible measures include:

- data for voter turnout;
- membership in associations;
- newspaper readership; and
- surveys.

Surveys may well represent the most valid means for getting information on people's views of politics, their level of trust in governments, types of associational activity and interest in public affairs. A survey can be designed to ask individuals about the extent and characteristics of their associational activity, and their trust in various institutions and individuals. For example the Tanzania village study, referred to earlier, has two areas of focus:

- elector's views about their community, the role of elections and their representations and officials; and

- elector's participation in community and public affairs; membership in associations, extent of contact with public officials and media usage.

Furthermore three dimensions of social capital were measured in the Tanzanian study, namely:

- their membership in groups;

- the characteristics of those groups in which the households were members; and the individuals values and attitudes, particularly their definition; and

- the expressed level of trust in various groups and their perception of social cohesion.[294]

In regard to the elector's views for each group in which an individual reported membership, questions were asked about that group's characteristics in several dimensions relevant to that group's contribution to social capital. For instance, if the groups membership is 'inclusive' we assumed any given individual's membership in that group contributed more to social capital than membership in a group in which membership is 'exclusive' to a particular clan or ethnic group. With this data on the frequency of membership and the characteristics of groups we created an index of the village associational life, which we argue is a proxy for social capital.[295] However consideration should be given as to whether 'traditional associations' function in a similar way to the 'civic associations' which are the subject of Putnam's analysis. This is particularly relevant in PNG. As a practical example a Global Social Capital Survey was designed by the Poverty Reduction and Economic Management Network of the World Bank for use in Uganda.[296] The survey includes questions on the following:

- groups or organisations, networks, associations, both formal and informal. These could be groups such as religious groups, sports teams or just groups of people who get together regularly to do an activity or talk;

- subjective wellbeing e.g. how do the people in their community, village, or neighbourhood get along;

- political engagement e.g. did individuals vote in the last national elections;

- sociability or everyday social interactions i.e. in addition to participating in group activities or associations, people also do so many activities informally with others eg spend time with people outside your household in doing chores, talking, drinking or just spending time together;

- community activities eg number of times per month individuals volunteered in any community activities;

- relations with the government eg the competency and/or efficiency of government institutions;

- identity i.e. who they are, where they come from, and their sense of belonging;

- violence and crime eg sometimes different groups living in the same area live together peacefully, however at other times there is tension and disagreement between different groups;

- communication e.g. access to newspapers and radio; and

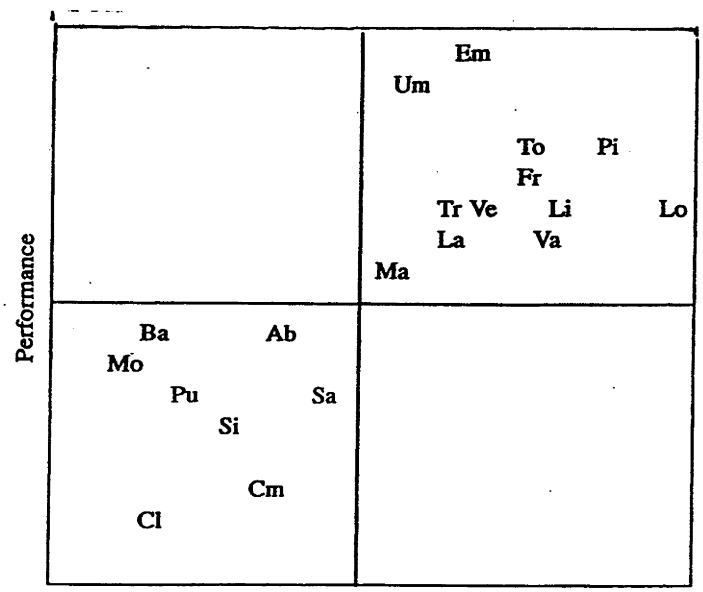
- demographics e.g. characteristics such as size of household schooling and employment.

While the use of the survey method would at first appear to be preferable Standish found in Simbu that 'after two attempts at administering questionnaires, I abandoned this, the usual methodology of elite studies as impractical. I chose not to conduct formal surveys of political attitudes or awareness for three reasons: cost, lack of time to organize, and shortage of interviewers; the problems of sample selection and the

difficulty in Simbu society of speaking privately with single individuals (conversations can become public group performances); and the danger that the questions themselves would influence opinion.'[297] Therefore the appropriateness of surveys needs to be carefully evaluated according to the particular context.

Returning to Putnam's methodology Figures 3 and 4 below summarise the overall conclusion from Putnam's research. Figure 4 shows the relationship between economic modernity and institutional performance for the Italian regional governments researched by Putnam. The data suggests that there is a fairly strong correlation between the level of economic modernity and the performance of the regional governments. However this relationship is not nearly as strong as it is for the relationship between civic community and institutional performance. This relationship for Italian regional government is provided in Figure 5. According to the results from Putnam's methodology and research there is a very strong positive correlation between the measured level of civicness and the performance of regional governments in Italy.

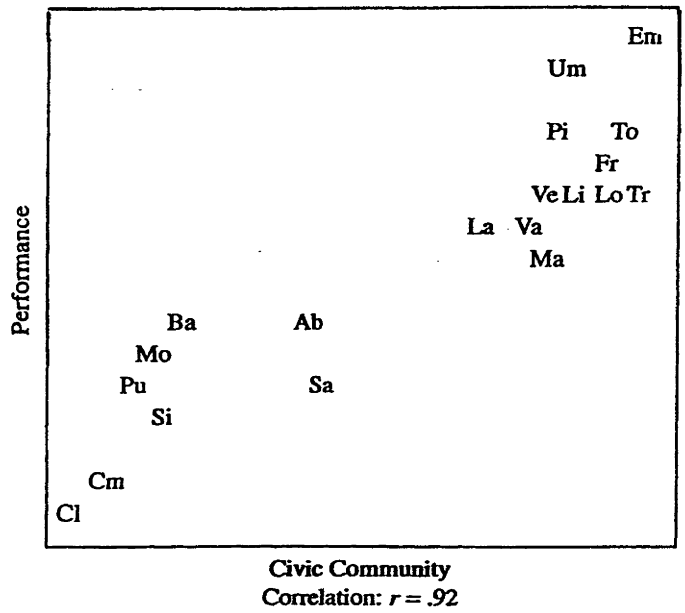
FIGURE 4
Putnam - Economic Modernity and Institutional Performance.



Source: Putnam, R. op cit., p.85.

FIGURE 5

Putnam - Civic Community and Institutional Performance.



Source: Putnam, R. op cit., p.98.

4.8. Conclusions

The widespread and interdisciplinary enthusiasm for social capital and civil society as outlined in this chapter indicates the very broad rang of disciplines for which narrow economic models, especially the "rational choice manifestation", provide an inadequate basis for understanding and analysing social and political life.[298] This chapter has described a methodology applied by Robert Putnam to analyse the performance of local government in Italy, and more recently replicated by Renata Serra to study the performance of Indian State governments. We have seen how there have been other subsequent studies to replicate Putnam's methodology in different contexts. These studies are important for this research because they apply social capital theory at the regional and national level.

As shown above applying social capital theory at the regional and national level, however, raises the issue of "common-good outcomes", and the distribution of social capital becomes important. Furthermore the distinction between the types of social

capital is relevant, especially when the theory is applied in highly ethnically fragmented societies. A number of studies stress the importance of whether social capital is of the "bonding" or "bridging type. The predominance of bonding social capital in a society characterised by a high level of ethnic fragmentation, along ethnic lines, suggests that social and political outcomes may not be to the benefit of the broad community.

It is recognised by all of the studies described that measuring social capital is difficult, but several studies have identified useful proxies, and apply various types of qualitative and quantitative research methods. Woolcock and Narayan show how 'in unpacking the literature on social capital and development, a recurring message is that social relations provide opportunities for mobilizing other growth-enhancing resources, that social capital does not exist in a political vacuum, and that the nature and extent of the interactions between communities and institutions hold the key to understanding the prospects for development in a given society.'[299] Therefore applying social capital involves recognising the role of government. A number of studies apply social capital theory in explaining the differential in institutional performance among governments, and also many suggest ways in which governments may build or support social capital.

This study seeks to explore the existence and role of social and civic norms and individual's attitudes towards others, focusing in particular on the degree of trust individuals felt towards social groups, such as family, village or tribe, and towards government authorities, at the provincial level in PNG.[300] This research assumes that trust is an outcome of social capital.

As explained above social capital is created from the myriad of everyday interactions between people. It originates with people forming social connections and networks based on principles of trust, mutual reciprocity and norms of action, however 'a minimum level of material conditions may be a prerequisite for the development of social capital. People who are not able to satisfy their basic material needs find it hard to look beyond them. Even when they can, money is still needed for material things that enable social capital opportunities to be taken... Once a minimal level is in place, material conditions, particularly income and education, are irrelevant to social capital.'[301] However PNG's experiment with a provincial government structure allows

us to replicate the basic methodology of Putnam's study of social capital in Italy. The focus of the next chapter is to apply the methodologies in the PNG context.

An important issue to address in the analysis is how social trust develops, and is maintained, in a society. For example, central to Putnam's argument is that trust has two sources i.e. norms of reciprocity and networks of civic engagement. The focus of my research is this presumed link. In particular in the PNG context I look for evidence to show that 'the lack of appropriate mechanisms for participation and accountability in the form of cross-sectoral linkages... allows for the exploitation of public resources by individuals and reinforces the dependency and patronage that characterize state-society relations.'[302] This is a view that has not been thoroughly researched. It is critical because in the PNG context, governance can be broadly conceived as the improvement of politics, with the emphasis being put on the institutional framework of the decentralised political system. In this context, it is closely related to what was referred to in the 1960s as institution building or institution capacity building, but it also carries the wider connotation of the overall quality of government, including the central aspects of political legitimacy and accountability.[303] A further empirical complexity is that social capital could be either a cause or a consequence (or both) of high levels of social and economic wellbeing. The next chapter describes the broad research design which seeks to address the critical issues outlined in this chapter.

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CHAPTER 5

THE RESEARCH DESIGN

'Soaking and poking, as Richard Fenno describes it, requires the researcher to marinate herself in the minutiae of an institution – to experience its customs and practices, its successes and its failings, as those who live it every day do'[304]

5.1. Methodology

Here I relate the current study to the context of previous research on social capital described in the preceding chapters. In particular I discuss the range of research methods applicable and justify my choice. Firstly, I explain the stance I have adopted as a researcher including my philosophical and academic disciplinary assumptions. These assumptions provide the basis for determining my research method. Secondly I discuss the research methods used for this research.

The underlying philosophy of this study is based in applied social science, and therefore seeks to use sociology, anthropology, economics and political science in order to test an explanatory theory about people and their behaviour. It is also accepted that there is a need to use information and data that sometimes cannot be easily quantified, as well as, that which can. The other important influence on this research design was my aim to replicate the Putnam methodology in the PNG context to test for meaningful results. As explained above in his study of Italian regions Putnam used a variety of techniques, both qualitative (e.g. field observation and case study) and quantitative (e.g. multiple regression and factor analysis). Putnam also took into account the history of the various regions and how this may have influenced the present situation.

My methodological approach was therefore influenced by my aim to replicate the Putnam study but in the PNG context. However, unlike Putnam who had significantly greater resources available this study needed to be more limited in scope. Therefore I have chosen to use one qualitative and one quantitative method in this study. These research methods and the reasons for selecting them are discussed below.

5.2. Research Method

Here I discuss the range of research methods that could be used, and justify the method chosen. The research program and operational techniques are also explained. The focus of my research is on provincial government in PNG, because the apparent failure of provincial government in that country is increasingly given as a reason for the lack of broad based development. Axline points out that most attempts to reform provincial government focus on institutional structure, and financial resources, but

> it is difficult to know why attention has been paid almost exclusively to the legal and institutional aspects of governance at the expense of looking at some of the less formal aspects of the political process. Perhaps it is because of the heavy emphasis that was put on the constitutional aspects of de-colonisation at the time of independence. Perhaps it is because it is much easier to undertake more 'mechanical' changes to government machinery than it is to take a serious look at certain aspects of society and culture. Perhaps it is because the shortcomings of provincial government are so visible and so susceptible to stimulate outrage, that it becomes the natural target for explaining a wide variety of political difficulties. Whatever the reason, one result of the emphasis that has been put on institutional reform is to foster the belief that much of what is wrong with governance in Papua New Guinea is the result of the provincial government system.[305]

The provincial governments in PNG have essentially identical institutional designs and therefore performance differences between provinces cannot be explained by this factor, but there are vast differences between provinces in terms of their economic endowments. One would therefore expect that the wealthier provinces enjoyed an advantage over their poorer counterparts in economic and financial resources, but it seems that the different levels of provincial government performance cannot be explained by their respective levels of economic and human resources. John Burton shows, for example, how Western Province, generally regarded as one of the worst performing provincial governments, has received substantial funding, and 'by 1992, only Enga, a far more populous mining province, edged out Western for the top spot in the provincial rankings of overall funding.'[306] A recent study of Western Province by the Australian Agency for International Development (AusAID), found that the province 'is relatively wealthy compared to other provinces. But two dominant features of the provincial economy are a marked dualism and poor financial resource utilisation. The majority of the population is not significantly involved in the cash economy, receives few benefits from the province's

income, and gets minimal service from government. These shortcomings are attributable more too poor administration and planning and a limited economic base than to a lack of financial resources.'[307] A similar observation can be made of the other 'resource rich' provinces. The hypothesis tested in this study parallels the specific research questions that were discussed above i.e. that a large stock of social capital leads to better provincial government performance, and a higher level of provincial development.

For the analysis East New Britain (ENB) Province has been chosen because 'the emergence and consolidation of one of the unarguably success stories of decentralization in the face not only of major cleavages in the province but also of the limited resources available to any provincial government offers insights into several aspects of the developing debate on decentralization.'[308] By contrast Gulf Province 'was unprepared for provincial government. Its peoples did not know how to make the most of it; they were disunited and inexperienced in organising themselves for access to public benefits when such benefits became a real possibility.'[309] Funding to provincial governments is supposed to be provided according to a redistributive formula that favours poorer provinces, and their respective levels of resources cannot explain the different levels of performance of these provincial governments.

At a workshop on PNG provincial capacities organised by the State, Society and Governance in Melanesia Project at the Australian National University (ANU) in May 2000 a series of provincial overviews were produced. The objective of each overview was to provide a broad understanding of the structure and operation of a provincial economy and of its prospects for growth. They covered the following broad subjects:

- the key socio-economic, physical resources and political features which impact on development;
- the current 'state' of the province including the infrastructure, services, and law and order;
- provincial government structures and effectiveness;
- the 'state' of the private sector;
- the role of civil society organisations; and
- the role of aid agencies in the province.

The ANU Workshop highlighted the extreme variations in the level of economic and social development existing between provinces. For example, Manus was rated as the best performing province in terms of effective governance, reasonable income levels and near universal primary school education. Several other provinces, e.g. Madang and Morobe, have specific problems (such as deteriorating law and order), but are generally performing reasonably well. However, several other provinces in rapid decline were identified. In particular, key development indicators are dropping in Southern Highlands Province, with the law and order situation deteriorating. It was suggested that the sociopolitical climate in Southern Highlands is extending across the other Highlands provinces spreading instability. Sandaun, in the extreme north-west of PNG and Western provinces are also in decline, with worsening governance becoming more and more apparent. The question is to what extent can the different levels of performance be attributed to social capital?

In addition how significant is 'traditional association' in this context? Robert Bates argues that 'ethnicity is double edged. On the one hand, ethnic groups promote the forces of modernization; phrased more fashionably, they constitute a form of social capital... On the other hand, ethnic groups organize politically; occasionally they engage in acts of violence, destroying wealth and discouraging the formation of capital. Ethnic groups can thus both generate benefits and inflict costs on societies.'[310] The benefits are: they render credible, implicit contracts between the generations within their constituent family units, thus strengthening the incentives that enable families to serve as instruments for the formation of human capital and agencies for the modernisation of society. Recognising the

> central role of families in ethnic organizations enables us better to grasp the relationship between modernisation and ethnicity. To a significant degree, modernization is achieved through the process of human capital formation. This process is privately organized; that is to say, it is organized by families. Families organize the flow of resources between generations and sectors, thus promoting the acquisition of skills and urban migration, and thus the modernization of societies. Ethnic structures of power help to preserve the contract between generations within family units.[311]

Bates argues that this occurs because:

- Ethnic groups strengthen the role of the older generation; particularly elders and family heads in rural areas, providing them with sanctions over junior kin.

- In many agrarian societies, individuals often cannot freely transfer land. The constraints on land use also yield power to elders, and thereby strengthen the credibility of intergenerational contracts and the capacity of families to form capital.

- Ethnicity mobilises not only sociological but also cultural forces that safeguard contracts between generations. The older generation, based in the rural areas, exploits its position as the custodian of the "true" culture of their communities. Its members lay claim to this position in order to control the behaviour of their offspring.

It has been commented that 'cooperation and collaboration across ethnic and clan lines remains difficult for CBOs and NGOs in some parts of the Pacific. In the view of Jennifer Clement, a gender and community development specialist currently based in Papua New Guinea, the bonding aspect of civil society is strong; the bridging aspect remains weak. This makes collaboration and networking difficult and sustains fragmentation and infighting.'[312] The positive or negative role of traditional association on social capital may be relevant for explaining the different performance of provincial governments in PNG.

The main *research question* to be answered is:

- What has been the importance, if any, of social capital and in particular ethnicity, on the performance of provincial governments in PNG?

A number of other research questions follow from this, namely:

- What has been the relative performance of the PNG provincial governments and can this be explained by their level of development?

- What measures are available for the stock of social capital in the provinces?

- How might the major ethnic groups in the provinces be measured?

- Which of these various measures of social capital seem to be most strongly associated with government performance?

In the selected provinces the additional research questions are:

- What has been the role of collective political engagement or alienation of different ethnic solidarity groups for determining the development of government institutions?

- What are the role of community organisations along ethnic group lines and the role that group ties played in shaping the political organisation of the selected provinces?

As explained above the underlying philosophy of this study is based in applied social science, and therefore seeks to use a broad range of disciplines to test an explanatory theory (i.e. social capital) about society. The other important influence on the research methodologies chosen was my aim to replicate the Putnam methodology. Again, as explained earlier, in his study of Italian regions Putnam used a variety of techniques, both qualitative (e.g. field observation and case study) and quantitative (e.g. multiple regression and factor analysis). Putnam also took into account the history of the various regions and how this may have influenced the present situation. I therefore decided to use at least one quantitative research method which was regression analysis because of the importance given to this analytical method in the Putnam study. I have also chosen to use one qualitative method in this study and decided that in the PNG context to collect information on the nature of civil society in the three provinces the most feasible methodology was field observation. I also decided to interview the leaders of the most significant civil society organisations in the respective provinces. In addition it was only feasible to undertake qualitative fieldwork in three provinces so it was important to have a contrast between those provinces chosen in terms of their culture, history and resource endowments. I decided to choose one province each from the Papua (Southern), Highlands, and New Guinea Islands Region.

Notes

[304] Putnam, R.D., 1993, op cit., p.12.
[305] Axline, W.A., 1993, op cit., p.97.
[306] Burton, J., op cit., p.160.
[307] AusAID, 2000, op cit., p.8.
[308] Regan, A.J., 1997, "East New Britain Province 1976-1992" in May, R.J., and Regan, A.J., (eds), *Political Decentralisation in a New State: The Experience of Provincial Government in Papua New Guinea,* Crawford House, Bathurst, p.305.
[309] Oliver, M., 1997, "Gulf Province, 1977-1988," in May, R.J., and Regan, A.J., (eds), op cit., p.104.
[310] Bates, R., 1999, op cit., p.7.
[311] ibid., p.4.
[312] PIANGO, 2000, op cit., p.16.

CHAPTER 6

A COMPARATIVE STUDY OF THREE PROVINCES

'the bonding aspect of civil society is strong, the bridging aspect remains weak. This makes collaboration and networking difficult and sustains fragmentation and infighting.'[313]

6.1. Introduction

The focus of this chapter is primarily on civil society organisations in PNG. Firstly, at the national level and secondly, in the three selected provinces for this study. As explained in Chapter 5 for the analysis East New Britain, Eastern Highlands and Gulf provinces have been chosen for this research because of the contrast they provide in terms of historical experience, culture and resource endowments.

In this research the term 'civil society' is used to describe the area between the state, the individual and the market where individuals can form autonomous and group activities of various kinds. This chapter therefore looks at the nature of these group activities in the three provinces to see if the social capital theory discussed earlier has any validity in the PNG context. The purpose is therefore to look for ways in which social capital and civil society in these provinces may have impacted on development and also the performance of the provincial governments.

Civil society organisations in PNG can actually be traced back to the 1870s when the first missionary activities began. In 1875 Methodist missionaries began the first Christian work in PNG, arriving in New Britain, and the New Guinea Islands region. In 1881 Roman Catholic missionaries settled in New Ireland, and were followed a few years latter by the Lutherans, Seventh-day Adventist (SDA), and the Anglicans. In the pre-independence period, churches were extremely important in the education and health sectors. They still remain so today, operating about half the country's primary schools, about one third of lower secondary schools, and several teacher-training colleges. A very large proportion of functioning health sub-centres are run by churches, as well as hospitals and other health programs.

After independence a distinct growth in civil society organisations occurred. In 1991 the World Bank estimated that there were around 100,000 community-based organisations

(CBOs) working throughout PNG. The term CBO is generally used to refer to organisations that are located in, and providing, services to its own community. Sometimes these organisations may be established to deal with a specific local concern but may also develop into a broader NGO that provides services to other communities. The World Bank estimate includes landowner groups or community groups focusing on church, youth or women's issues. Independence also saw an influx of international agencies or international linkages within the NGO community. A survey in 1995 revealed that out of the NGOs surveyed almost half had some sort of international connection.[314]

However, as the indigenous NGO community grows stronger, overseas organisations are stepping back and letting the local NGOs and CBOs take the lead. Most significantly, the recent growth in the sector has arisen, as a result of growing political awareness and a general recognition of the government's inability to provide the services required by the people. As a consequence, many NGOs have committed themselves to either provide services to communities where the government is unable to help, or to assist communities to organise themselves in order to demand improved services from the government. Some of the more recent NGOs are also having a major impact on empowering disadvantaged groups.

6.2. Significant National Civil Society Organisations

As stated above there is now a multitude of civil society organisations in PNG. The focus in this section is on the organisations that have an impact on governance in general, and which have had a role in strengthening other civil society organisations. Currently there is no effective umbrella organisation representing civil society organisations in PNG, and this is recognised by some participants as being a major barrier to the sector's effectiveness.

Consultative Implementation and Monitoring Council (CIMC)

Recently the National Executive Council (NEC) gave approval for the establishment of the Consultative Implementation and Monitoring Council (CIMC). The NEC also approved the establishment of a CIMC Secretariat administered by the Institute of National Affairs (INA) which is a long established private institution. The NEC also directed that all relevant

Government Agencies participate in the CIMC. The CIMC was established to follow up on the recommendations put forward at the National Economic Summit in February 1998 and guarantee support to the on-going consultation process between Government, private sector and the community at large to advise Government on development policy matters. The CIMC is tasked to:

- provide avenues for discussion on development policy matters through regional and national Development Forums held every year, sectoral committees and working groups.

- oversee and co-ordinate implementation of the recommendations endorsed by the forums.

- promote constructive, collaborative and practical policy approaches to tackle some of the country's persistent development problems.

- provide alternative advice to Government on development policy, and

- promote applied research on economic, social and development policy issues.

The CIMC Council was formed following the NEC's endorsement of its composition in 1998, and comprises the Chief Executives of the Departments of Finance & Treasury, Planning & Monitoring, Prime Minister and NEC, Trade and Industry, Bank of Papua New Guinea, Agriculture and Livestock, Investment Promotion Authority, as well as representatives from the main chambers representing the private sector, churches, non-government organizations and unions.

The CIMC Council is chaired by the Minister for Planning & Monitoring. Since its establishment the CIMC Council has been chaired by Sir Mekere Morauta (Apr 1998 - June 1999), Sir Rabbie Namaliu (on an interim basis in Aug - Dec 1998), Sir Moi Avei (July 1999 - June 2001), Bart Philemon (on an interim basis in April - May 2000) and Andrew Kumbakor (June 2001 to April 2002). Other members of Parliament who have participated

in the CIMC process include Lady Carol Kidu, as Chair of the Informal Sector Committee (2000 - 2002), and Governors and open Members who participated In Regional and National Development Forums.

The CIMC Secretariat, which comprises five permanent staff, services the Council, and is under the overall supervision of the Director of the Institute of National Affairs. The Council established twelve Sectoral Committees and nominated their Chairpersons to work on reviewing specific recommendations, their implementation arrangements and report to the Council on proposals to be drawn to the attention of the Government. Sectoral Committees cover the following areas: health, education, transport and infrastructure, law and order, informal sector, agriculture, family and sexual violence, commerce and services, manufacturing and industry, mining and petroleum, fisheries and forestry. Sectoral Committees focus on preparing specific and practical proposals for the Annual National Budget. These are presented at the National Development Forum, which is organized as part of the preparations for the National Budget towards July or August each year. The committees also monitor implementation of the recommendations and further discuss particular issues of concern that are brought to their attention by committee members of the wider community.

In 2002, a total of seven Sectoral Committees are fully operating with assistance of the Secretariat (Health, Law and Order, Transport and Infrastructure, Agriculture, Commerce and Services, Informal Sector, Family and Sexual Violence). Other Committees (Education, Mining and Petroleum, Forestry, Fisheries, Manufacturing and. Industry) are operating on an ad-hoc basis through established industry and Government Departments bi-lateral arrangements. The Secretariat liaises with these as part of the preparations for the National Development Forum.

Churches

While the contribution of the churches to nation building in PNG is open to debate there is little doubt that the Christian religion has come to play a prominent part in national politics. Many politicians received mission-school education and frequently resort to religious rhetoric in their public addresses.[315] The influence of the church in politics is part of a

broader trend discernible in Melanesia from the earliest missionary efforts of people's creating the version of Christianity that best meets their needs in a rapidly changing modern world. An identifiable mainstream Melanesian theology began to flower when some missions became less repressive of local beliefs and rituals originally seen as 'false' pagan religions keeping people in lives of sin.[316] For example, 'until the mid-twentieth century, education throughout Melanesia was almost exclusively the province of missions; in the 1920s an overwhelming 99.85 per cent of schools in New Guinea were mission-run. The contribution of missions to the education of new generations probably more than anything else promoted them as agents of social change.'[317]

The other field in which missions have long been prominent is health. Again, until the mid-twentieth century they dominated provision of health services, supplying 85 per cent of Papua New Guinea's medical facilities and training the majority of health personnel. The clinics and hospitals they established had undisputed impacts on the health of people suffering from indigenous diseases such as malaria and introduced ones such as tuberculosis, and also significantly buttressed their influence and evangelical success.[318]

Particularly in the areas of health and education, churches are still involved in providing a significant share of essential services in PNG. The Churches provide a majority of health services to the rural areas of PNG. In total the Church Health Services (CHS) have 15 rural hospitals, 332 health centres and 271 aid posts. During 2002 it received government funding of K12 million. The five mainline religious denominations in PNG are the Catholic, United, Anglican, Lutheran and the Seventh-day Adventist.

However the wider role of the churches in community development has not been fully recognised. A recent AusAID study found that 'as highly indigenised groups in PNG, churches play a key role in many areas of development. Christian denominations have been appropriated into many aspects of local cultures and are highly influential in political decision-making'.[319] Most importantly there is evidence that churches are able to build trust amongst local communities, which is a critical component of bridging social capital. It is recognised that an important reason for the relative success of the churches was that the various denominations became readily indigenised within Melanesian culture. However there is not agreement as to why this took place.

The Catholic Church is one of the largest, and probably the most influential church, in PNG with about 29 per cent of the population consider themselves to be Catholic. The main Catholic organisation in PNG is the Catholic Bishops Conference, which is made up of a number of agencies dealing with education, health and community development. Caritas PNG is the Justice, Peace and Development Agency of the Catholic Bishops Conference of PNG. As the official Catholic Church agency its role is to respond to poverty throughout the country regardless of religious or political beliefs. The agency aims to promote a just and compassionate society in PNG by speaking out on issues that are affecting society. It carries out its mission by:

- Providing a forum for dialogue and exchange among member organisations to share ideas, learn from each other and support each others efforts;

- Helping member organisations to build there own capacity in order to serve the poor and marginalised more effectively;

- Acting as a voice or advocate for the cause of the poor and enabling the poor to be their own advocates; and

- Facilitating cooperation within and beyond the Caritas Network.

Caritas PNG has undertaken human development programs (i.e. literacy, HIV/AIDS awareness, and drug rehabilitation) and small income generating projects. The organisations activities include installation of water tanks, fish farming, agriculture, sewing and food preservation.

The Evangelical Lutheran Church of PNG is the second largest denomination with around 20 percent of the population. It has been very active in terms of community development and most significantly in Morobe and Madang Provinces. The United Church in PNG has around 650,000 members or about 12 percent of the population. It undertakes work throughout PNG, and its work is highly localised. It also has probably the largest and most successful women's organisation in PNG, the United Church Women's Fellowship

(UCWF). The UCWF has played a major role for encouraging women's rights, and to focus on social and development issues of particular concern to women. About 3 percent of the population consider themselves Anglicans. However the Anglican Church of PNG mainly focuses on remote rural areas, with a particular focus on capacity building and the development of culturally appropriate processes of community awareness. The Seventh-day Adventist Church in PNG has a membership comprising almost 10 percent of the population. It has been politically influential because often a large proportion of the members of parliament in PNG are SDA's. The Adventist Development and Relief Agency of PNG is active in the areas of HIV/AIDS education, adult literacy, small enterprise development, health education, disaster response and water and sanitation.

Community Development Scheme (CDS)

The Community Development Scheme (CDS) started in PNG in 1999, and is an important mechanism for building the capacity of civil society. The funds to support the scheme currently come from the Australian Government through AusAID. CDS's main Bureau office in Port Moresby is supported by four regional offices being; Southern, the Highlands, the Islands and Mamose regions. Within each region there are Core Groups and Field Workers. The long-term plan is for the CDS to evolve and be sustained by the Core Groups and Field Workers independent of AusAID funding.

CDS supports community development and capacity building efforts of NGOs and CBOs. The Core Groups and through them, the NGOs and CBOs that receive support from the CDS, are supposed to develop the capacity to support themselves, and to source additional funds and support from other donors to continue to service the community development needs of people across the country. CDS's target groups are PNG based NGOs and CBOs, including church groups. These are groups who are community based, non-profit making and who rely on some voluntary effort to deliver economic and social development work. Projects supported include primary health care, clean water supplies, small community income generating activities, integrated human development and raising community awareness (eg STD and HIV/AIDs). However the scheme's role in civil society capacity building has been fairly limited.

Other National NGOs

Probably the other most active organisation for civil society capacity building is the German Development Service. The German Development Service (DED) is providing organisation development services to NGO and other organisations, which want to allocate time to organisational improvements. The aim of this process is to equip organisations with ways to reflect on why they are doing what, and how they can perform better in order to achieve their objectives. DED also has a Community Development and NGO Support Program. This program contributes to strengthening civil society by supporting community self-help action and institutional development of NGOs for community driven development. The program started in PNG in 1997 and provides funding and advisory assistance for community self-help action and institutional strengthening of NGOs. It combines efforts in capacity building with support for practical activities and programs.

6.3. Gulf Province

General Characteristics

Gulf Province includes the estuaries of four large rivers (the Bamu, Turama, Kikori and Purari) in the Gulf of Papua. From the coast the province runs inland for about 120 km. The Province is 13,500 square km in area of which about 40 per cent is occupied. The estimated population in 2000 was about 105,050, or about 2 per cent of the total PNG population.[320] Gulf Province is generally regarded to be highly underdeveloped, and has a population growth rate of 2.5 per cent per annum since 1980. It ranks ninth among the nineteen provinces of PNG, according to the measures used in de Albuquerque and D'Sa's study of inequalities in the country.[321] There are about 16 language groups in the province. Since the provincial government reforms in 1995 the Province is politically divided into two districts. The Kerema District has an estimated population of 65,176, and the Kikori District an estimated 39,874.[322] The Kerema District has a population density of seven persons per square kilometer compared to a population density of only one person per square kilometer in Kikori District.[323] Kerema, the Provincial headquarters is about 100 kilometres west from Port Moresby. Western, Southern, Chimbu, Eastern Highlands, Morobe and Central Provinces bound the Province.

Culturally and politically, the people of the Province can be divided into three: western coastal, eastern coastal and the mountain Kamea. The Kamea are part of a language and cultural group that extends into the Southern Highlands, Morobe, Chimbu and the Eastern Highlands. However, two-thirds of the people in the province speak languages of the Eleman family i.e. Toaripi, Orokolo, and Purari. These people live along the eastern coast and inland Malalaua district. Hamtai, the other widely spoken language, has its roots in the Highlands.[324]

The general characteristics of Gulf Province are large river systems and extensive swampy country both in the West and, Eastern parts. The eastern part has low rainfall and short dry season from June to October, but the West is wet all year. The river systems and extensive saline tidal swamps form natural navigable water channels to travel from village to village and from one administrative centre to another. A great deal of the coastal area is swampy or subject to inundation while a lot of the inland area consists of broken rugged mountain terrain. About ten percent of the total area is being used for subsistence agriculture, cash crops agriculture, industry and services. The Province is made up of four land systems:

- the hinterland consisting of hills and broken rugged mountains of the Owen Stanley Range;

- the low alluvial land systems;

- the tidal flat littoral land systems mostly made up of large river systems and saline swampy deltas of fresh water river and mangroves. Which form navigable waterways for people to travel from delta to delta and to inland alluvial lands for gardening; and

- the coastal beach ridge land systems are mostly for settlement, fishing and coconut growing.

The coastal beach ridge land system is restricted to the Elma people from Oiapu to Vailaha. Sago is the chief source of food, and is supplemented by fish, coconut and subsistence food

gardening of crops; sweet potato, yam, taro, bananas, sugar cane, green vegetables, cassava, paw paw and mangoes. The use of the tidal flat land is restricted to the people in Kekori, Baimuru in the Purari deltas, and Moveave in the East. The people in Kikori and Purari deltas are known to be hunters, fishers and collectors. Sago forms an even greater part of the diet as elsewhere in the Gulf Province. The people of the delta land build their houses on piles high above the riverbanks. As the rivers change their courses, the people frequently have to move their villages. Traditionally, each village was centred on the dobu, or 'ravi' in which weapons, important artifacts, ceremonial objects and the skulls of enemies was stored. While men slept in the long house, women slept in smaller, individual huts outside. Today the long houses are no longer so culturally important. The Gulf people have been strongly influenced by Christianity for nearly a century, and many traditions have been lost.

The use of the foothills is restricted to the people of Kerema, Kaipi, Kovio, Popo and Moripi areas. In the hills behind the coastal swampland live the Anga people, whose territory stretches right across to the southeastern highlands in Morobe Province. The use of the hills and mountains is restricted to the Kukukukus in the Kamea area. Both groups derive their subsistence by means of shifting cultivation of less intensive crops than the people in the Highlands. Sweet potatoes are the main source of food for the Kameas; banana, yam, breadfruit and pigs supplement them.

The coastal people of the province have had a long history of contact with outside influences. Fairly easy travel along the coast of the Gulf made trade significant, and by independence in 1975, the coastal people of the Gulf thought of themselves as advanced and knowledgeable. The Gulf people traded their plentiful sago with the Motuan people's pottery. The annual Motuan trading voyages along the south coast, known, as the 'hiri' were regular even after Europeans established Port Moresby. There were also trade links to the Highlands. Because of their easy access from the sea, the coastal villages were also the 'hunting grounds' for representatives of the London Missionary Society, who first arrived in the area in the early 1880s. However although the Gulf coast was well charted and the main rivers were soon comprehensively surveyed it was not until the late 1920s that the mountains north of the coast were explored. Unfortunately when the missionaries first arrived in the Gulf area their attitude towards local culture was considerably less

enlightened than it later became. The people were forced to give up their spiritual beliefs, and especially headhunting.

Gulf Province has provided its fair share of human resources in senior management in the private sector, the PNG diplomatic service, and has the distinction of having produced two governors-general. The province produced out-standing leaders such as Sir Albert Maori Kiki and Sir Tore Lokoloko who played countrywide roles and enjoyed national reputations.[325] However even today education facilities are not evenly spread throughout the Province. In Kerema District there are four high schools with a total enrolment of 1,122 students and 39 teachers while Kikori District has only one high school which enrols 307 students and has 13 teachers. The Catholic Education Service administers two of the high schools with a total of 337 students, nine primary schools, eight community schools, and thirty-three elementary schools. In Kerema the Baptist Church has established a school providing elemenary to Grade 12. The school has been expanding quite rapidly since it was established 13 years ago, and is almost entirely locally staffed. There is no evidence of SDA run schools in Gulf. Along the coast around half of the schools are government run but in the mountain areas are entirely church run. In the Kikori District there are three United Church primary schools with elementary to Grade 8. National statistics show that 45 percent of the Gulf population between the ages of five to nineteen have no formal education.

There are profound discrepancies between the districts and in particular the tension is greatest in the area covered by Kerema Open electorate i.e. Kerema, Malalaua and Kaintiba. Around half of the population of Gulf live in Malalaua and Kaintiba, and the coastal people, especially in and around Kerema, have had access to schools for several generations and in the post- World War Two period, leading up to self-government, independence and beyond, they have provided more than their proportionate share of Papua New Guinea's leadership in politics and the public service.[326] The Kamea people, concentrated in Kaintiba, are fully aware of their disadvantaged position in comparison with the adjacent coastal peoples of Malalaua and Kerema. The province therefore has very significant social and political divisions, and which reflect the 'basic artificiality of the boundaries of the province.'[327] For elections to the National Parliament there are three electorates, two open electorates, Kerema and Kikori and a Provincial electorate. While the

capital of the province is Kerema, the Kikori and Baimuru areas are actually where most of the economic activity of the province takes place.

Economic Activity

The range of economic activities in Gulf Province has been, and remains, quite limited. There is oil, gas, forestry and oil palm. There is also an abundance of marine resources. The main agricultural products have been copra, rubber, coffee, timber and crocodile skins. Copra has been by far the most important product. For the most part the Province is dependent upon air and sea transport to isolated locations along the coast. Road communication is largely confined to small stretches of intermittent access in the vicinity of Ihu, Kerema and Malalaua. A road connection from Malalaua to Kerema has been planned but as yet no funds have been budgeted. This section of road would also be a major stretch of the projected Trans-Island highway, which would link Port Moresby with the Highlands. Therefore a major problem facing the development of the Gulf Province is the absence of adequate market outlets resulting from:

- a lack of an adequate road network;
- a lack of river transport services; and
- an unreliable coastal shipping service and expensive air transport.

Transport infrastructure is more developed in Kerema District which has 505 kilometres of roads compared with only 163 kilometres of roads in Kikori District.[328] The shipping companies mainly operate to service their own coconut and rubber plantations; occasionally they collect copra from villages depending on the availability of space on the ships after picking up items and produce from their holdings. There is a major airstrip at Kerema, but the rest of the province is serviced by clay and grass covered airstrips (14 in Kerema District and 11 in Kikori District). The province is therefore characterised by its poor transport facilities.

Service centres are small, and often have few services to offer, and many areas get virtually no government services, especially in the mountains. The main hospital is in Kerema but currently there is no medical officer. The Catholic Church, which has one rural hospital, five health centres, and eighteen rural aid posts, provides the majority of functioning rural health services. The Baptist Church proposes to provide health services to the mountainous areas by introducing an aircraft for medical evacuations and visits by health workers. The United Church runs a health sub-centre in the Kikori District however apparently three aid posts in the same area have closed due to a lack of staff. Most of the government run health centres and sub-health centres have deteriorated to virtual aid post status. Overall health standards in the province are below the national average.

The most densely populated district, Kaintiba, appears to have serious problems with poor agricultural yields, and malnutrition among children. The road connection to Port Moresby from Malalaua enables betei nut, the provinces highest value export, fish and sago to be carried to the city markets.[329] Although a minor road network has been developed inland around Kaintiba, but it does not connect with the rest of the province nor with any other parts of the country.

The possibility of very rapid development through the exploitation of newly discovered resources (i.e. oil and gas) may have opened up for Gulf during the 1990s. However few benefits are apparent from this development. A road was built from Lake Kutubu in the Southern Highlands to Kikori to service a buried pipeline that carries gas and oil to the coast for export. However apparently this road is no longer open.

The overall population density in Gulf is lower than the average for PNG. The population is well spread throughout the Province, although there are some pockets of concentrated population such as the coastal strip from Ihu to the Central Province border and around Kaintiba. There is sufficient land of agricultural quality to provide for the people's subsistence needs. The main agricultural potential of the Gulf Province is restricted to the alluvial plains of the Vailala, Tauri and Lakeekamu rivers, the narrow coastal fringe and pockets of more gentle topography. Cash cropping is confined to coastal and navigable river areas due partly to their accessibility of transport. Cash cropping by the village people are generally carried out within the area used for subsistence gardening, the cash crop for

example, coconut is grown with food crops at the same time. Coconuts are used both for copra and for domestic consumption. There has been a substantial decline in the role of the private sector in the province with a number of plantations closing down in recent years. However, timber exploitation and fisheries have still been a source of significant wealth in the province.[330]

Gulf Province has been the main centre of petroleum exploration activities in PNG since oil seepages were first reported near the Vailala River in 1911. The Province falls within the geological area known as the Papuan Basin and also has known reserves of natural gas. InterOil is currently undertaking exploration work at Subu in the province. Apparently the exploration is creating some concerns amongst local landowner groups in the Baimuru area, and a meeting of landowners is being organised for September at Baimuru.

Political Activity

Since independence the manoeuvring's for provincial and national political power, and especially representation in both the National Executive Council (NEC), and the Provincial Executive Council (PEC), has been a constant preoccupation of the Kamea political leaders who are from the most underdeveloped area of Gulf. Oliver found that for the 1987 national elections 'every candidate counted on village, and sometimes clan, affiliations for a core vote which could give him victory.'[331] Therefore political activity in Gulf province is very localised. In a similar way to national politics, the dynamics of provincial politics is affected by the power relations between the three main groups in the province, and 'most informants from Gulf agree that provincial candidates have been supported on the basis of local affiliations of language, village or clan (rarely clan among the Toaripi), perceived ability to bring "development", and personal leadership qualities. But the ability to wield influence in politics and to be respected in one's community sometimes has other roots, and the belief that there are short cuts to "development", in the sense of access to material wealth, has a long history among the coastal people of Gulf Province.'[332] Therefore the pursuit for political power has undermined any sense of cooperation between the ethnic groups.

In his study of electoral politics in the province Oliver 'became convinced that local factors

overwhelmed national or even provincial concerns in people's minds.'[333] In his study of the 1982 National Elections Mailau found that candidates needed to make contact through formal organisations such as youth groups, women's fellowship groups, village sports clubs, church members' groups, clan groups, and groups of village elders. A candidate's membership in social or other village groups reinforced the tendency to vote for him, especially if he (normally candidates are male) is supported by the leaders of these groups.[334]

One factor that must have militated against any effective performance by the Gulf Provincial Assembly was the plethora of motions of lack of confidence with which the governments of the province were plagued prior to the 1995 reforms. Gulf Provincial Government also has a very poor reputation for financial accountability. For example the Auditor General found in his 1990 report that 'some of the Warrant Authorities and Cash Fund Certificates issued during the year were not signed by the Provincial Finance Minister and Chief Accountable Officer, respectively and contained numerous errors. Also certain adjustments effected through the revised Budget were not recorded through Warrant Authorities. In some instances Cash Fund Certificates were issued in excess of the appropriations authorised by the warrant authorities.[335] The Auditor General therefore considered that the Provincial Government had not exercised effective budgetary controls during that year.[336] Recently a deliberate fire destroyed the Province's head office and which was probably related to investigations into fraud by provincial officials.

2002 National Elections

For the elections the choices were made out of a field of 106 candidates representing 31 for the provincial seat, 52 for Kerema Open and 20 for Kikori Open electorates. A full list of the candidates is provided in Appendix F. In Gulf Province the independent candidates dominated the election with 24 in the Kerema Open, 10 out of 31 for the provincial seat and 8 out of 23 for the Kikori Open Seat. Most importantly more than 80% of the candidates were 'absentee' Gulf people who only returned on this occasion to contest the elections.

Mr Kimave, defended his Kikori Seat as a PANGU MP, faced a very strong field of candidates who included former MPs Roy Evara (PSP), and Allan Ebu Maria (PLP). In

1997 he held the seat with about 15% of the votes. Allan Marai was Kikori MP up until 1992 when he lost to Roy Evara. Mark Ivi Maipakai, a People's Progress Party candidate, with 16% of the votes, won the seat.

For the Kerema Open seat Avosa Saea was one of the frontrunners to challenge the incumbent Sir Tom Koraea. Koraea held the seat in 1997 with less than 10% of the votes among 44 candidates. Other candidates in 2002 were prominent lawyer Sarea Soi (PDM), engineer Sari Maso (NA), former deputy managing director of the Investment Corporation of PNG, Meakoro Opa (Independent), and Peter Eka (PPP), the former National Executive Council secretary. Ekis Ropenu, a People's Labour Party candidate, with 9.6% of the votes, won the seat. The sitting member, Chris Haiveta, retained the Provincial Seat with 15.2% of the votes. The 2002 elections demonstrate the highly fragmented nature of politics in the Province.

Civil Society Organisations

The role of civil society organisations in the province has been generally very limited. Overall the years of colonial administration brought very little development of any kind and especially that in which local people could participate. Possibly the lack of development is the result of the goals, policies, and methods of the colonial governments and the social, economic, and demographic continuities between the colonial period and the period since independence that have not furthered the overall participation of local people in development.[337] As Oliver observed 'Gulf was ill prepared for provincial government. Its peoples had little sense of unity. Almost half the population identify with the United Church while about one fifth of the population are Catholic. Even the Eastern Elema identity that the United Church was in part responsible for creating never gave much of a sense of solidarity to the eastern coastal peoples, who usually thought in terms of much smaller groupings (Toaripi, Kaipi, Moripi, Sepoe)... Gulf had never had a fully-fledged administrative presence, which might evoke a common attempt to mobilise for access to the services it could provide.'[338]

Today in Gulf province significant population areas receive little or no government services. Largely as a result, churches of various denominations have provided beyond

their pastoral responsibilities such as essential services as infrastructure development and maintenance, social services such as health, education and information programs in areas not serviced by the government. Government educational institutions, especially high schools, are so rundown that a whole generation of young Gulf Province children find it difficult to qualify with a graded certificate at Grade 10 level.

The only significant NGO in Gulf Province is the Community Development Initiatives Foundation Trust Fund (CDI). The CDI is a non-profit organisation supported by corporations in the petroleum industry aimed at addressing the social needs of rural communities in the provinces within which these companies have invested i.e. Gulf and Southern Highlands.[339] The CDI Foundation builds upon community development initiatives originally carried out by Chevron Niugini Ltd in the Southern Highlands and Gulf Provinces since construction of the oilfield and pipeline facilities commenced there in 1990. CDI assumed direct responsibility for these initiatives in 2001 as an NGO that can hopefully facilitate long term social development well past the life of oil and gas production in the area.

The primary CDI training facilities have been established at the Kikori District Centre. The training centre has been established on land provided under agreement with the Gulf Provincial Government and the National Department of Agriculture and Livestock (DAL). The training centre includes offices, classrooms, a library, a radio studio, and a training workshop. CDI is assisting the government agricultural officers in Kikori, whose office is next to CDI's Training Centre. As part of its agreement with the government, CDI has also renovated an old unused agricultural shed belonging to DAL at the same location. This shed has been converted into office facilities for Kikori District DAL staffs who are being assisted to expand their agricultural demonstration plots and carry out training for local farmers.

The linguo-cultural groups assisted in the Kikori area include the Kairi (Dumu), Ikobi (Kasere, Ikobi Kairi), Porome (Kibiri), and Kerewa (Goaibari) speaking communities. These communities comprise about 21 villages along the Kikori River and have a population of around 4,000 people. A significant part of the facilities CDI has established for supporting its programs and objectives is its community radio station – CDI FM, which

broadcasts throughout the targeted communities. CDI has established six programs, being:

- to support and assist primary healthcare providers and members of the community to improve curative and preventative health conditions;

- to improve the competency of education service providers and the quality of education services for human resource development;

- to foster balanced agricultural development in the community to improve food security and generate income;

- to empower and build the capacity of local leaders and institutions for planning and implementing sustainable rural development;

- to promote the sustainable use of natural resources amongst rural communities; and

- to improve the capacity of government agencies to plan and implement sustainable development.

CDI anticipates that government and aid donor interest in the CDI will grow over time as it develops its capacity. If this interest generates additional funding support, the target area for CDI's programs may expand to other underdeveloped communities within Gulf Province.

In addition CDI is working to more effectively integrate its social development activities with the community outreach efforts of the Kikori Integrated Conservation and Development Project (KICDP) managed by the Worldwide Fund for Nature (WWF). Established ten years ago, this project has two main components that comprise scientific research and community outreach. Scientific research is mainly to collect baseline data on the wildlife in the area to be used for conservation management in cooperation with the Department of Conservation and Environment. The community outreach component includes community capacity building (i.e. to identify suitable income generating

opportunities besides logging), and distributing educational materials based on the scientific findings. WWF's stated objectives are:

- To build community capacity to make sound natural resource management decisions;
- To assist groups to benefit from community generated sustainable eco-enterprises; and
- To assist community groups to implement resource management.

CDI has also entered into an agreement with the University of Papua New Guinea's School of Medicine to extend its rural health program to Kikori. Under this agreement the School of Medicine will provide final year medical, nursing and public health medicine students, resident medical officers and supervising lecturers to assist the Kikori rural hospital, and to deliver health services in the area. The cost will be met by CDI.

The Community Development Scheme (CDS) has supported around twenty-nine projects in the province. A core committee is functioning in Kerema, although its resources to reach out into the more remote areas are very limited. The majority of these projects were with women's and church groups. Three projects were undertaken in cooperation with local NGOs. A significant number of projects were for health and clean water, followed by community capacity building and skills development. Sewing, and bakery skills training has been popular amongst the women's groups. Other projects include agricultural income generating such as vanilla, poultry, spices, rice and fishing. However most of these projects have been confined to areas close to Kerema, with no projects in Kikori District and only one project close to Baimuru. There has been one project supported near Ihu and eight in the Kaintiba Local Level Government area.

Caritas PNG through the Diocese Development Secretary is active with church based women's, youth, and fathers groups. Programs focus on issues related to human rights and conflict resolution including drug and alcohol abuse. Caritas also provides some assistance to small income generating projects such as poultry. Another NGO in the province is the Christian Children's Fund (CCF) which assists with a small village project for primary

health and education, which targets children. The New Zealand ODA has also provided seed funding for a women's microfinance project through the Gulf Provincial Council of Women. The Council however is not active at this time until an annual meeting is held to elect the office bearers.

Mobilisation of civil society in Gulf is especially difficult due to the absence of a provincial radio station. Radio Gulf has been off the air for several months and while this is blamed on the need for a replacement transmitter the condition of the broadcasting facilities indicates that much more substantial work is required to get the station back on air. While CDI FM provides news and a very broad range of development programming (mostly produced by CDI staff) and awareness messages this is only for the communities living adjacent to the oil pipeline. The Baptist Church has obtained a license to establish a radio station in Kerema to relay programs from an established station in Mt Hagen. Clearly Gulf people need improved facilities for health-care and education, housing for public servants, business development for villagers, better roads and other transport infrastructure, improved communication facilities, good drinking water supplies, agricultural development and gainful participation in resource development. However effective leadership at the village and provincial levels has been a rare commodity for the people of Gulf at least since independence. Overall the situation is that Gulf Province has been characterised by significant political, social and ethnic divisions and poor capacity all of which have weakened social capital and made any broad mobilisation for development extremely problematic.

6.4. Eastern Highlands Province

General Characteristics

The Highlands is the most densely populated and agriculturally productive region of PNG. The Highlands are made up of a series of fertile valleys and rugged intervening mountains. Eastern Highland Province was one of the first areas of the Highlands to be opened up during the colonial period, but not substantially until after the Second World War. As with the rest of PNG, the Highlands region has tremendous cultural and linguistic diversity. The largest social units are tribes numbering in the thousands. The area controlled by a single

group has usually been small. Despite the political fragmentation, there were extensive trade links with the coast. The first direct European contact with the Highlands came as a result of the gold rush near Wau and Bulolo, which created speculation there would be more gold, further afield, and missionaries soon followed. Until then, Europeans had thought that the centre of PNG was a rugged tangle of virtually unpopulated mountains. Kainantu was the main administrative centre in the Highlands during the 1930s, and from there patrols set out to establish control. The early patrols used the highly prized kina shells, salt and steel tools in exchange for labour and food provided by the Highlanders. This was the method of payment used until the late 1940s when money was introduced. However little development occurred before the Second World War and it was not until the 1950s and 1960s that the Highlands were really opened up. During this period trade stores were established and then coffee was first planted commercially. The Eastern Highlands has had longer and more extensive contact with the outside world than other parts of the Highlands.

Goroka is the provincial capital and has grown rapidly since it became the centre of the coffee industry. Its estimated provincial population in 2000 was 429,480, and with an annual growth rate since 1980 of 2.2 per cent.[340] Eastern Highlands Province is estimated to have 8.4 per cent of the total PNG population. The 1986 study by de Albuquerque and D'Sa found that Eastern Highlands ranked sixteenth in level of development. In terms of absolute amounts of revenue available to provincial governments, Eastern Highlands ranks fourth out of the nineteen provinces, however on a per capita basis it receives the second-lowest level of funding from the National Government.

There are eight administrative districts in the province being Daulo (population 30,446), Goroka (population 70,408), Henganofi (population 55,193), Kainantu (population 91,511), Lufa (population 45,505), Obura/Wonenara (population 29,394), Okapa (population 62,257) and Unggai/Benna (population 44,766). Obura/Wonenara District has the highest population density in the Province where there are 88 people for every square kilometre compared with the lowest population density of 12 people per square kilometre in Lufa District. The de Albuquerque and D'Sa study found that only Goroka and Kainantu ranked among the upper half of the districts of PNG. These districts have population densities of 68 and 63 persons per square kilometre respectively. In general, the province divides into

two on the basis of the physical environment and level of development. The northern valleys are economically vibrant with intensive smallholder coffee production and relatively good road access to markets in Goroka and Lae. The south of the province is mountainous, remote and poor.[341]

Eastern Highlands has a patrilineal society with 20 local languages, most of which are loosely related. As elsewhere in the Highlands clan and tribal loyalties are still very strong. The largest social units are tribes that may number in the thousands. Although the province is heavily populated, the people are a less cohesive group than the people in other parts of the Highlands region are most likely because language divisions and geographical terrain separating language groups seem to determine cultural behaviour. In the Goroka Valley, the largest two language groups are the Gahuku, with an estimated population of 80,000, and the Benabena, with an estimated population of 60,000. On the eastern side are the Kamano/Kafe speaking people, with an estimated population of 80,000, living between Kainantu and Henganofi districts. The Fore speaking people, with an estimated population of 60,000, live near the Okapa district. The province has the fourth highest population density in PNG. The population is heaviest in the northern valleys, where people live in large villages. The people are more spread out in the south.[342]

Economic Activity

The Province has large areas of land, especially in the Wonenara, which are sparsely populated but which have little development potential. Other areas, especially the Asaro Valley north of Goroka and Kainantu areas have considerable development potential, but at the same time have high population densities. There is, however, sufficient land of agricultural quality to provide for the people's subsistence needs with a reasonable margin for commercial agriculture. At the same time pressures on land do exist in some parts of the Province. The greater part of agricultural development in the Eastern Highlands is concentrated on the valley and basin floors of the Asaro, Bena Bena, Ramu and Lamari river systems. The steep and rugged mountains of the province form the headwaters for two of PNG's most important river systems: the Ramu River which runs parallel to the coast to the north-west, and the Wahgi and Aure rivers which run south and enter the Gulf of Papua as the Purari River. Most of the population lives at altitudes between 1500 and

2300 metres. However steepness of the topography is a major limiting factor for most of the Province.

Coffee is the largest cash crop and the development of the Province is closely linked to the prosperity of the coffee industry. Coffee provides an income for 80 percent of smallholders in the Province. It is also impossible to over emphasise the importance of the coffee crop to the people of the Eastern Highlands with respect to the establishment of commerce. After the early settlers proved coffee to be a viable and profitable crop, the early 1950s saw many expatriates starting plantations in the Highlands. However by the early 1960s several Highlanders were establishing their own plantations and this was the starting point for a new generation of indigenous businessmen.

There is only one hospital in the Province in Goroka. The Evangelical Brotherhood Church provides the most active church health services. The Province has 13 secondary schools, 228 community schools and 5 vocational schools but has a low adult literacy rate of only 25%. Education facilities are not well spread throughout the Province. For example, Goroka District has enrolments of 1,606 for elementary, 7,778 for primary schools and 1,567 for secondary schools compared with Lufa District that has a total secondary enrolment of 537 students. Besides government run schools the Catholic and Lutheran churches are the main providers. The Catholic Church runs 10 elementary schools, 5 primary schools, and a girl's vocational school. These schools are fairly well spread around the province. The Catholic Church also has a school for the blind in Goroka.

Political Activity

The draft constitution of the Eastern Highlands Province was presented in August 1976 and the interim provincial government was established three months later. Provincial elections were held every four years with the first held in 1978.

In his study of the province Stewart found that the provincial government had been remarkably stable from its establishment until 1986 due mainly to the Premiership of James Yanepa. He concluded that Yanepa was able to adapt the exercise of power to communally based decision-making and this was probably the source of his success.[343] In Eastern

Highlands, until 1985, the constitution provided for members of the PEC to be elected by the assembly and to at least some extent this provided for wider representation. Ethnic divisions within the political system were a major concern as Goode observed during the 1977 National Elections that 'many people in Ko-ae butuka expressed a preference for a Tairora-speaking candidate, believing that a politician from one's own language group would provide greater assistance than one from another language group.'[344] In general 'most sitting members seemed certain of support from their village. This accord with the idea of communal solidarity, where the principal cleavage is along clan lines. Clan loyalty, however, seems not to be an inexhaustible resource. In constituencies close to towns, where clans are more fragmented and where members have held their seats for longer than four years, there is less certainty of village and clan support.'[345]

From 1985 the amended constitution gave the Premier a clear power to appoint the members of the PEC. Stewart explains that 'I will refer to these relations of trust as "communal solidarity", by which I mean a decision-making order where the principal actors are clans, or lineages, where esteem is the principal medium of exchange, where the predominant resources are trust and inherited status, where the principal motive is belonging to a group, and where relations are ruled by common consent and unanimous agreement. The principal lines of cleavage in such a system are clan rivalries and personal disputes.'[346] Westermark also observed that during the 1982 National Elections 'voters continued to align themselves by ethnic areas and political alliances.'[347] Traditionally Kainantu and Goroka have been rivals and this has included strong personality conflicts. However Stewart found that by 1990 this stability had begun to break down, and that this 'was principally because of the collapse of relations of trust which had existed in the early years and upon which the early coordinating devices had been based.'[348]

2002 National Elections

Prior to the 2002 elections the Eastern Highlands Governor, Peti Lafanama, was also the Chairman of the Highlands Governors' Council, and prided himself in being a political power broker. He claimed responsibility for ensuring the appointment of another Eastern Highlander as the Governor-General and assisting the formation of the previous government led by Bill Skate. His basic appeal to the Eastern Highlands people was that if

he were re-elected he would aim for the prime ministership. In the 1997 elections he won the seat in a field of 36 candidates with just over 15% of the votes. For the 2002 elections the Provincial Seat attracted a total of 26 candidates. This included Pacific Helicopters owner Mal Smith Kela and the only female candidate Julie Soso Akeke. A full list of the candidates is provided in Appendix F.

Mal Smith campaigned on the policy to make the Eastern Highlands Province attractive for investors. Mal Smith was not aligned to any political party but placed advertisements in the media calling for other independent candidates to join him. He stated that this was because he wanted independent members of parliament with similar interests for the country to get together to push for major constitutional changes. One policy proposal is to abolishment of the Electoral Development Fund. He also campaigned for greater emphasis in infrastructure maintenance. He argued that important economic activities such as tourism and agriculture would have to be injected with necessary support, both financially and structurally, so that exports in this sector picked up once again. He campaigned to be Governor and in particular to develop the province and to reconstruct Goroka. The results showed strong support for Smith-Kela across the province and he almost doubled the vote obtained by Lafanama in the 1997 poll. Smith Kela won with 132,137 votes ahead of Lafanama with 54,390 votes. Lafanama's support even in his stronghold of Lufa District showed a marked decline. Since taking office as Governor he has concentrated on reforming the Provincial public service and trying to improve its capacity.

In the 2002 elections more than 300 candidates nominated to contest the nine seats. Seventeen of PDM's seats were in the Highlands and seven of them were in Eastern Highlands. Four of the seats were held by cabinet ministers, Ron Ganarafo (Fisheries); Henry Smith (Correctional Services); Mathias Karani (Provincial Affairs); and Muki Taranupi (Education). However non-of the six PDM members of parliament won their seats as PDM candidates in the 1997 elections except Henganofi MP Viviso Seravo. All six MPs nominated to defend their seats under PDM tickets together with a new candidate in Korak Korae Yasona challenging Castan Maibawa for the Okapa Open seat. However PDM's own coalition partner, Advance PNG Party, endorsed seven candidates, for the regional seat Stanley Harry Totaha, Captain Danny Fezamo for the Henganofi; Benny Asamole for Lufa; Lawrence O'entuma for Okapa; Councillor Dio Kano for Obura-

Wonenara; Kepsy Holu Miller for Unggai-Bena Open; and Robyn Belari Nenda for Daulo Open. The leader of the Advance PNG Party, Charlie Benjamin, was the Minister for Lands and Physical Planning in the former government. This Seventh Day Adventist based political party hoped to make in-roads via the strong SDA following in Eastern Highlands.

The Goroka Open seat was defended by the Corrective Services Minister, Henry Smith, and attracted 41 candidates. He had traditionally polled well in Gorohanota, Kafuku, Kabiufa and Okiufa. He still had the overall support of his voters that elected him in 1997 with just fewer than 10% of the votes. However Mathias Ijape was revisiting his old support base, and he was expected to do well there. His base at Ufeto, Bihute and Okiufa appeared to be still behind him, and he hoped to use his own Lapeigu base to give him sufficient numbers. Businessman Michael Gotaha was also a strong candidate because of his many contributions to Goroka Town as Town Major. He also obtained support from his own Asaroyufa, Komiufa and Masilakaiyufa villages. He was also expected to poll well in the settlements in the peripheries of Goroka Town. He also claimed the support of the working class in Goroka. However in Goroka Open the settlements hold the 'balance of power'. The declaration of a winner was postponed due to a petition by Mathias Ijape.

Mathias Mero Karani won the Lufa Open seat in 1997 with about 15% of the votes. For the Lufa Open Seat former public servant Eddie Mike, despite his long absence from home, had support coming from Kauro-Kevi, Pometo and Hagareda areas. Also Kanera Sokere came third in the 1997 general elections. His strongholds were Kotomi, Silupa and Fima areas. Lufa Council President, Jeremiah Pakuta had probably the biggest advantage. His ward councillors could play a major role where he was able to use their network to mobilise his supporters. His support was from Lagiyu-Nupuru, Lagareda and Gitomu. Incumbent and Defence Minister Mathias Karani had not lost his support in Losowe and Kora. His mushroom, water supply, and the new road upgrade project had a big impact. He also had made inroads into strongholds of other candidates. Yawa Silupa, a National Alliance Party candidate with 14.9% of the votes, won the seat.

Ben Merere Kiagi, United Party, with 7.4% of the votes, won Daulo Open. Tota Bahanare Bun, Christian Democratic Party, with 17.1% of the votes, won Henganofi Open. Yuntuvi Bao, People's Labour Party, with 9.9% of the votes, won Kainantu Open. John Koigiri,

People's Solidarity Party, with 13% of the votes, won Obura-Wonenara Open. Okapa Open was won by Tom Amukele a Pipol First Party candidate. Unggai-Bena Open was won by Benny Tipot Allan an independent with 10.8% of the votes. The results show that party affiliation played no apparent role in the outcomes, and the low percentage of votes won by the winning candidates.

Civil Society Organisations

According to the 1990 census, by far the largest church in terms of membership was the Evangelical Lutheran Church. However based on interviews with provincial officials and the private sector the Seventh Day Adventist Church is now considered to have the largest membership.[349]

The Eastern Highlands Provincial Advisory Committee (EHPAC) began as a result of the Goroka Chamber of Commerce conducting a Goroka Seminar in August 2002. The Governor of Eastern Highlands in consultation with the Consultative Implementation & Monitoring Council (CIMC) proposed the set up of a Committee system in the Eastern Highlands that replicates the work of CIMC at a provincial level. A proposal was put forward to as a result of consultation with CIMC to set up the EHPAC, formed by a limited number of members from all sectors of society, and chaired by the Governor of Eastern Highlands. The task of the EHPAC is to promote, oversee and coordinate implementation of recommendations put forward through various sectoral working committees, and to promote innovative, collaborative policy approaches to tackle the province's problems. The EHPAC reports to the Joint Provincial Planning and Budget Priorities Committee, which then takes its policy recommendations to the Provincial Executive Council. The results of the EHPAC's work will then be presented at a Provincial Development Forum once a year. It is Government's intention to foster closer dialogue with the business sector and the non-governmental sector, and to base policy formulation and implementation on broad-based consultation with all the relevant stakeholders. Therefore the EHPAC has to have strong and continuous political support to make it more effective, and to ensure that the Government departments involved do not disregard its important function.

The EHPAC provides opportunities and forums for organisations from all sectors at the district level to contribute on issues of provincial interest. The results of the EHPAC's work will make a positive contribution to the planning process. Input from other sectors will provide Government with new insights and tools to enhance proper planning. Ten advisory committees or sectoral groups have been established:

- Finance and Revenue
- Research, Planning and Monitoring
- Lands and Physical Planning
- Works and Transport
- Law and Order
- Health
- Education
- Social Services and Welfare
- Agriculture and Natural Resources
- Commerce and Tourism

The terms of reference of EHPAC require the committees:

- To oversee and coordinate the implementation of the recommendations of the residents of Eastern Highlands for a better quality of life.

- To establish ad-hoc working groups and consultative sectoral working groups to advise on the best way to carry out the implementation of these recommendations and to provide solutions to any technical problems.

- To act as an advisory body to the Joint Provincial Planning and Budget Priorities Committee on economic and other matters affecting the economy, growth and development.

- Report on a monthly basis to the Joint Provincial Planning and Budget Priorities Committee on the progress of implementation of recommendations and any other matters related to the same.

- Report to the Provincial Development Forum on the progress of recommendations and problems being encountered in the implementation.

- Promote joint applied research on the relevant economic policy and social policy issues.

There are a number of fairly large NGOs operating within and from the Eastern Highlands Province; however the Community Development Scheme is not currently very effective in the province. The Research and Conservation Foundation (RCF) facilitates research and an Integrated Conservation and Development (ICAD) Project in the Crater Mountain Wildlife Management Area (CMWMA). The CMWMA covers an area of almost 3,000 square kilometres, and is one of the largest expanses of pristine tropical forest in the world. It ranges from lowland tropical rainforest on the Purari River to sub-alpine scrub on the summit areas of Crater Mountain. This project is seeking to encourage businesses such as research, eco-tourism and artifact sales as an alternative to the use of resources for large-scale timber and mineral extraction.

TABLE 3

List of NGOs in Eastern Highlands Province

Organisation	**Main Activity**
ATprojects	Business Development & Vocational Training
RCF	Environment & conservation
Save the Children	Health & women.
Family Voice	Women's & children's rights
Inter-team	Capacity building
Salvation Army	Agriculture, health & Vovational Training
YWCA	Teaching & Women's Programs
Baptist Church	Health & Youth Programs
Catholic Church	Agriculture, Health, &, Vocational Training
Evangelic Brotherhood Church	Agriculture, Health, Vocational & Women
Lutheran Church	Housing, Women's & Youth Programs
SDA Church	Teaching, Women & Youth Programs
United Church	Women & Youth Programs
Goroka Chamber of Commerce	Capacity building

Source: Compiled by the author

ATprojects was established in 1998 to enable rural people to use appropriate technologies that contribute to the sustainable development of their communities. The organisation is developing a close working relationship with both the provincial government and the eight district administrations in the Eastern Highlands as well as the churches and other NGOs. In the context of the Eastern Highlands, ATprojects sees "appropriate technology" as:

- Projects that require only small amounts of capital;
- Emphasising the use of local materials;
- Relatively labour intensive, but more productive than traditional technologies;
- Small enough in scale to be affordable to individual families or small groups;
- Can be understood, controlled and maintained by villagers, without a high level of special training;
- Produced in villages or small workshops;
- Promoting people working together to bring improvements to communities;
- Offering opportunities for people to become involved in the development process; and
- Useful in productive ways without doing harm to the environment.

A recently established organisation in the province is Family Voice. The focus for Family Voice is on the family and particularly the rights of children. The organisation is currently receiving funding from Save the Children, and undertakes family counselling on domestic violence, and family disputes. Save the Children PNG have their national head office in Goroka. Similarly with Family Voice their focus is on family violence, children's rights, children's health and education, and HIV/AIDS. Save the Children do not generally support income-generating projects. Inter Team (Swiss Development Service) also have there national head office in Goroka, and primarily provide volunteer development workers for community groups. The focus is on technical and agricultural assistance. At this time the Eastern Highlands Provincial Aids Council is not effective.

Another initiative in the Province is the Smallholders Support Services Pilot Project which is primarily funded by the Asian Development Bank (ADB). This project commenced in 2000 and is envisaged to continue as a pilot project for five years covering all 8 districts.

The task of providing governmental support services to smallholders has traditionally been mainly the responsibility of DAL however for many reasons DAL has not been able to do the job effectively.

In this project the approach being tried is contracting out. Service providers are contracted to undertake specific extension tasks. The expectation is that this will create a delivery system that is cost effective, more flexible and accessible. There is also a particular emphasis on women's income-generating options to raise women's status. The focus is on coffee with food crop production and other income generating on-farm and off-farm activities taking second place.

The project's main aim is to improve support services through awarding contracts to service providers. It does not fund farmer's projects. Instead the emphasis is on funding extension projects that support the training and institutional strengthening of producer groups. Over the five-year period the project aims to assist 7,600 households in the province. By mid-2000 twelve groups, comprising 370 smallholders has received or is still receiving support.

Radio Eastern Highlands (Karai Bilong Kumul) currently transmits on two frequencies, MW and the Stereo FM band. The station provides news and information, educational and entertainment services to the Eastern Highlands population in English and Pidgin. The station broadcasts five hours a day, from 1700 to 2200 hours. It has only recently recommenced transmission that had been suspended due to a shortage of funds. A number of civil society organisations use the radio for providing information including RCF, Family Voice, the YWCA and the various churches. Provincial Government departments also use the station for providing the community with information on health, education and agriculture.

6.5. East New Britain Province

General Characteristics

East New Britain Province occupies the eastern half of the island of New Britain, and small island groups off Rabaul. The Province covers an area of 15,100 square km, which is about 3 percent of the total area of PNG. The estimated 2000 population is 220,035 people, and with an average annual growth rate of 2.5 per cent since 1980.[350] However the population growth rate in some areas may be as high as 7 per cent. The province is divided into four districts, Gazelle, Kokopo, Rabaul and Pomio. Rabaul District has the highest population density of 255 persons per square kilometre compared to only 4 persons per every square kilometre in Pomio District. Eighty percent of the population live in either Rabaul or Kokopo District, most of the lowlands of the Gazelle Peninsula, with a limited number in the rugged Baining Mountains. The socioeconomic ranking of provinces shows that while East New Britain is amongst the four best-developed provinces; two of its four districts, namely Kokopo (estimated population 58,650) and Rabaul, (estimated population 27,023) ranked second and third out of eighty-seven districts, while Pomio (estimated population 44,698) ranked forty-seventh.[351] Further evidence of the unevenness of development is that there are hospitals in Kokopo and Rabaul Districts but there is no hospital or medical officers in Pomio District. Also in terms of infrastructure Pomio has only 216 kilometres of road in a very spread out district while the Gazelle has a well-developed road network totalling 304 kilometres. Pomio district is characterised by mountains, heavy rainfall and poor soil. The Gazelle District has an estimated population of 89,664.

East New Britain has around 11 language groups but the Kuauna speaking Tolai is by far the largest single group and is the language of almost two thirds of the people. People who live in ENB are of Melanesian descent, speaking Austronesian languages. Kuanua is the main language of the Gazelle Peninsula. There are five main ethnic groups consisting of Tolais who dominate the Gazelle Peninsula followed by the Bainings, Sulkas, Taulils and Pomios. The estimated population of the province is 210,000 of whom the majority are Tolais.

In the matrilineal society of the Gazelle Peninsula Tolais inherit land and other properties from their oldest maternal uncles. They are known as lualua or headman. It is the eldest maternal uncle who looks after land, shell money and other communally owned property on behalf of the sub-lineage relatives. Pomio people also inherit land and other property from their closest eldest maternal uncles. Unlike the Tolais and Pomio people the Baining people are patrilineal. Traditional inheritance patterns, therefore, differ from those practised in the Gazelle Peninsula and Pomio with Baining children, particularly sons, inheriting land and other properties from their father.

The people of the Province have had long contact with the outside world and the Province has a well-educated population due to the fact that the missions and the government have established some of the first schools in the Province. The English navigator William Dampier was the first European to visit the island of New Britain, arriving early in 1700. Although he proved New Britain was an island, separated from the New Guinea mainland by Dampier Strait, it was not until 1767 that fellow Englishman Phillip Carteret discovered that Dampier's St Georges Bay was actually a channel and that New Ireland and New Britain were separate islands. St Georges Bay became St Georges Channel. A hundred years passed with only occasional contact, although whalers and sailors passed through the channel, sometimes pausing for water and provisions.

In 1874 German traders established settlements at Mioko Island, in the Duke of York islands, and in 1876 at Matupit Island in Blanche Bay. In 1875 the Reverend George Brown started a Methodist mission at Port Hunter in the Duke of York islands with a group of six Fijians. Sacred Heart Catholics began a mission on the peninsula's north coast in 1882, and the following year saw the region's first coconut plantation near Kokopo and the founding of the Vunapope Catholic Mission. On 3 November 1884 a German protectorate was declared.

From the earliest period following independence 'factionalism among the Tolai leadership, deep social inequality among the Tolai, and major spatial inequality between the north-east Gazelle and the rest of the province put obstacles in the way of establishing and operating a provincial government.'[352] There is a marked contrast between the developed part of the Gazelle Peninsula and the undeveloped rest of the province, because 'the former is

characterized by very high population densities, good infrastructure, good access to services, significant economic development and very high resource potential.'[353] Development in the province is very uneven and 'from the German period onwards, "modern" economic activity has been concentrated in the northeast Gazelle, the Bainings and Pomio areas lagging far behind. While rugged terrain and scattered population may have made this inevitable, very little development effort was made either by the Australian administration or in the first few years following independence.'[354] The provincial capital is Kokopo.

The province has a relatively high adult literacy rate of more than 70%. The Catholic Education Agency administers a very significant proportion of the education system. The Agency administers two high schools, thirty-two primary schools, twenty-eight community schools and sixty-three elementary schools.

East New Britain has a relatively good health system. The Catholic Health Service administers ten health facilities which includes a large hospital and nine health centres. ENB is taking a multi-sectoral approach in its effort to deal with HIV/AIDS. The Provincial Aids Council (PAC) is now active and has agreed on a six-month strategic plan.

Economic Activity

The economy of ENB has been predominantly based on the agricultural sector. Cocoa and copra have been the main products of the Province. The Province is now the leading cocoa producer in the country. The total cocoa production of the province consists of large plantations owned by foreign companies, individuals and a few local business groups and smallholder blocks owned by local people. ENB is also the leading copra producer for exports in the whole country.

There has been a history of intensive plantation development in the Gazelle Peninsula. Also there has been scattered and comparatively minor plantation development in coastal areas together with small-scale logging and milling activities. There has been a gradual extension of road communications from the Rabaul and Kokopo areas to its immediate hinterland. However there is continued dependence on water and air access to isolated

areas in the Province. In particular apart from the Gazelle Peninsula there has been very little development, even for subsistence purposes, inland from the coast.

The economy is fairly highly monetised by PNG standards, stemming from the relatively large urban centres and the high level of cash cropping in the Province. The education levels are also comparatively high by PNG standards. Each of the districts has a high school and Kokopo, the most densely populated district, has three high schools with an intake of 1,986 students and 85 teachers. The greater part of agriculture development in the Province occurs in the more gentle topography of the Gazelle Peninsula and the adjacent islands. Limited development occurs along the coastal fringe of the east and south coast, but elsewhere steepness of topography is the major limiting factor. Palmalmal in the Pomio District may expand as the main town and growth centre in the area, particularly for agricultural development. The forests of the Pomio District are rated critical for conservation in PNG and classified as 'very important' biological areas.

Social inequality in the northeast Gazelle has its roots in the long-established patterns of economic activity in the area, and the closely related patterns of land distribution there.[355] The provincial economy is dependent on agriculture. The total cocoa production of the province consists of large plantations owned by foreign companies, individuals and a few local business groups, and small holder blocks owned by local people. A majority of people in the northeast Gazelle depend on subsistence agriculture supplemented by cash crops, mostly smallholder cocoa and copra. Sales of cocoa, copra, fresh food and betel nut in this area provide relatively high incomes to most villages. In addition, there is oil palm and some tourism. In the Pomio and Bainings areas, subsistence gardening is far more important, with much smaller proportion of people involved in cash cropping and on an even much smaller scale than the Tolai areas.[356] 'The south coast and interior of Pomio District face a number of limitations particularly excessively high rainfall and poor soils, and steep topography in places.'[357] There is an excellent network of roads, many sealed, in the northeast lowlands of the Gazelle Peninsula, but in the rest of the province road development is very limited. Pomio District and the mountainous parts of Rabaul and Kokopo Districts, is characterised by relatively low population density, poor infrastructure, poor access to services, limited economic development and limited resource potential.[358]

> There are few roads in the south of the province. Outboard motor boat and canoe travel is common in coastal areas. People in the northeast of the Gazelle Peninsula require less than one hour's travel to reach Kokopo, while those in the west Baining Mountains, in the Duke of York Islands and on Watom Island require less than four hour's travel. People on the south and northeast coasts require 4-8 hour's travel to reach the nearest service centre, while those in the inland mountains of Pomio District are very remote and require more than one day's travel.[359]

Recently the Province has been preparing a development plan. The last attempt at preparing a plan was in 1986 when a draft "ENB Integrated Development Plan" was prepared. This plan set out six strategic objectives and a series of recommendations from each Provincial Division for policy measures and operational measures.

In recent years the ENB economy has performed reasonably because it has benefited from good cocoa prices, and large inflows of capital for infrastructure rebuilding. However quantities of cocoa produced have not significantly increased. Also industry has not fully recovered from the major losses caused be the volcanic eruptions. The latest development plan therefore proposes to develop the regional centre role of the Gazelle for the New Guinea Islands region. This concept of a regional centre applies to government, institutions, NGOs, churches, companies and commerce. It is proposed to move more into manufacturing and services whilst at least maintaining or moderately increasing agricultural production – the same or more and different types of cash crops whilst at the same time producing more food crops. However it is envisaged that agriculture will decline relatively as a proportion of the total economy.

Political Activity

Since 1981 the provincial Government has been relatively stable with only one attempted vote of no confidence. There is also some evidence that the provincial government is moving beyond mere service provision towards developing a capacity to develop policies, which tend to reshape economic and social relations by dealing with the major problems of the province.[360] This has been attributed partly to cultural characteristics supportive of economic activity, and 'the factionalism of the Tolai in the period since World War II should not hide the fact that they share a high degree of social cohesion. The relationship between traditional society and what might be called the parallel introduced government

system involves complex interchanges. Adaptable traditional culture recognises and gives credit to achievement in the parallel system, and in the modern economy. At the same time it would not be easy for a Tolai to advance far in the parallel governmental system without a strong basis of support in traditional society.'[361]

However like most provinces in PNG administrative and financial management have not been without problems. In 1991 the Auditor-General reported that 'internal controls in regard to payments need improvement as instances were noted where payments were processed without adequate supporting documentation and in certain instances without being authorised by a financial delegate, correction fluid was used in alteration of amounts on purchase orders, alteration to amounts were not authenticated by the respective financial delegate, in four instances purchase orders were raised after goods and services had been obtained and some claims were not certified prior to payment.'[362]

Another recent development has been a report on greater autonomy commissioned by the Provincial Government and approved by the Provincial Executive Council in April 2003. The report was presented in three main parts comprising an executive summary, a report on the administration of the consultation process, and the third part contains the proposed constitution. The report highlights the shortfall in grants owed to the Province, including total gross exports by the Province since 1995 calculated on a five percent basis and how much the Province should be receiving in derivation grants due to the gross export of its commodities.

East New Britain Province comprises a Provincial Seat and four Open Seats. Lion Dion, who won the seat in a by-election about 18 months before the 2002 elections, occupied the Provincial Seat. This followed the decision of Francis Koimanrea to resign and contest the Pomio Open Seat that was left vacant following the death of his brother Alois Koki Koimanrea. Dion was a controversial Governor who approved the establishment of a community consultative committee to consult the community on greater administrative and financial autonomy for the province, as a way to try and address the lack of funds flowing down to the provinces and the rural people for services. He had been particularly active in trying to shift the emphasis on traditional cash crops and to encourage alternative cash crops. The development of oil palm, also an initiative of his government, and the

expansion of alternative cash crops such as vanilla, cardamon and other spice products, was a means of diversifying the economic base of the province. Leon Dion held the seat in 2002 with 33.9% of the vote.

Why then has provincial government been relatively successful in ENB in terms of performance? This has been in spite of 'factionalism among the Tolai leadership, deep social inequality between the north-east Gazelle and the rest of the province put obstacles in the way of establishing and operating a provincial government.'[363] It has been argued that 'the degree of mobilised popular support for the provincial government is a key to understanding its success. Unlike perhaps any province other than Bougainville, there has been continuity in the support of a proportion of the population (the Tolai) for both the principles of local autonomy and its manifestation in their provincial government... The popular support has a range of consequences. It makes service in the provincial government an attractive option for aspiring Tolai politicians and bureaucrats. There are rewards other than personal enrichment, which may flow from a political career in the provincial government, more so than may be the case in many other provincial governments.'[364] Also the Tolai leader 'has always appealed to established norms and idioms as well as insisting on the need for forms of economic innovation.'[365] One of Salisbury's main points is that Tolai entrepreneurship was never divorced from political leadership. The entrepreneur was also always a local political leader. What is more he was a leader who appealed to supporters in 'traditional' (that is, indigenous rather than foreign) political idioms. Hence Tolai society in the period since European contact has been characterised both by economic dynamism, and by a proud adherence to aspects of Tolai tradition and culture.[366] Regan argues that the 'relationship between traditional society and what might be called the parallel introduced government system involves complex interchanges. Adaptable traditional culture recognises and gives credit to achievement in the parallel system, and in the modern economy. At the same time it would not be easy for a Tolai to advance far in the parallel government system without a strong basis of support in traditional society.'[367] Most importantly Regan finds that the relative provincial government stability was largely the result of an 'alliance' between the well-educated Tolai politicians and moderate Pomio and Bainings members.[368]

2002 National Elections

East New Britain Province comprises a Provincial Seat and four Open Seats. A full list of the candidates for each seat is provided in Appendix F. Lion Dion, who won the seat in a by-election about 18 months before the 2002 elections, occupied the Provincial Seat. This followed the decision of Francis Koimanrea to resign and contest the Pomio Open Seat, which was left vacant following the death of his brother Alois Koki Koimanrea. Dion was a controversial Governor who approved the establishment of a community consultative committee to consult the community on greater administrative and financial autonomy for the province, as a way to try and address the lack of funds flowing down to the provinces and the rural people for services. He had been particularly active in trying to shift the emphasis on traditional cash crops and to encourage alternative cash crops. The development of oil palm, also an initiative of his government, and the expansion of alternative cash crops such as vanilla, cardamon and other spice products, was a means of diversifying the economic base of the province. Leon Dion held the seat in 2002 with 33.9% of the vote.

Tiensten Paul, a People's Progress Party candidate, with 28.1% of the votes, and defeating Koimanrea, won the Pomio Open seat. The Rabaul Open Seat was held by Sir John Kaputin who retained the seat with just over 20% of the vote against eight candidates in the 1997 election. However leading up to the 2002 elections he was accused of neglecting the volcano devastated Rabaul town. However Sir John may not have done anything visible in Rabaul town, but he had assisted in securing aid funding for the Gazelle Restoration Program, which has been used to relocate and build infrastructure for displaced Rabaul people. His funding was all over the Gazelle, Sikut, Vunakabi, Gelagela, where the majority of his voters are, but the town's people did not appreciate this. Dr Allan Marat with 59.4% of the vote won this seat, and who has now become Deputy PM. Sir Rabbie Namaliu who retained the seat in 1997 against 4 candidates and obtaining about 53% of the votes has held the Kokopo Open Seat. For the 2002 election he held the seat with 32.8% of the vote. The incumbent, Sinai Brown, of the National Alliance Party with 37.6% of the vote also held the Gazelle Open seat. The characteristics of the political contest in the Province are in stark contrast with both Gulf and Eastern Highlands Provinces.

Civil Society Organisations

Within the NGO sector in East New Britain networking and the formation of strategic alliances has become important. This includes most importantly government agencies with which the various CBOs and NGOs seem to have a constructive relationship. The Community Development scheme appears to have been very active in strengthening civil society organisations. The CDS has funded a project to improve management capacity with the PHF, an organisational and management review of the ENBCW, and community health training with ENBSEK. It has also funded 18 projects with CBOs that include youth, women's and church groups. The Alliance of Community Development Agencies (East New Britain) Inc or the ACDA is an organisation that was very recently established to bring together NGOs, CBOs, church groups, government agencies and other development organisations to work together towards sustaining community development in the province. Its primary function is to review, and to screen, expressions of interest received from NGOs, CBOs, and church based organisations in the Province using the CDS guidelines or guidelines from other donor organisations.

Civil society organisations in the province are dominated by church related organisations such as men and women's fellowship groups, community groups and a few NGOs which are predominantly local. About half the population are Catholic with the United Church accounting for about one third of the population. Civil society seems to have deepened in recent times with villages joining environmental groups, forming social action groups, and village groups to speak on national and international issues. Examples include the Viviran and Vunamami social action groups. In Pomio, the Kivung Association is both a religious as well as a political organisation.[369] Tolai women's groups are among the most active in PNG.

TABLE 4

List of NGOs in East New Britain Province

Organisation	Main Activity
ENB Social Eksen Committee	Environment, conservation and health
Pacific Heritage Foundation	Community capacity building
ENB Council of Women	Rehabilitation of displaced families
ENB Youth Development Foundation	Youth activities and HIV/AIDS
ENB Red Cross	First Aid and HIV/AIDS awareness
ENB Scouts Movement	Community service programs
ENB Small Farmers Association	Environment and urban growth
Catholic Church	Health and education
United Church	Health and education
ENB Aids Council	HIV/AIDS awareness

Source: Compiled by the author

A fairly large and active NGO in the province is the East New Britain Social Eksen Committee (ENBSEK), or SEK, which undertakes work to raise people's confidence and capacities. The rapid escalation of logging in ENB, the pollution and erosion caused by illegal logging practices and increasing abuse of landowners' rights prompted the formation of SEK about 12 years ago. Interestingly it was established by a government agency – the Division of Community Development – of the Provincial Government. During the early 1980s the Community Development Division became concerned about the increased levels of social problems in the province, and realised that Government resources were inadequate for any serious impact on the problems. It was recognised that the approach needed to mobilise the people as partners in solving the problems, and that past government programs had not been successful. Currently its methodology includes community awareness and training, advocacy, and support to local communities to design and implement community development activities. SEK has a large volunteer network living in the villages, and who are vital to the SEK network which responds to villagers' needs for information around a range of themes such as environmental issues and landowner rights, domestic violence, women's rights, AIDS and sexually transmitted diseases and drug and alcohol dependency.

SEK's Environment and Awareness Program informs communities of their legal rights as landowners, and of the environmental and social implications of uncontrolled and illegal logging operations. SEK also investigates and documents the logging companies' abuses and illegal practices and, in some cases, takes the companies to court. SEK also works

closely with other organisations, which can provide more specialised information, and to provide alternatives to large scale logging, such as eco-tourism, food production, and butterfly farming. For example, the Duke of York Social Concern Committee was started in 1994, after the volcanic eruption, with help from SEK in response to the increase in social and environmental problems. Their current aim is to carry out education and awareness raising on issues like drug and alcohol abuse, HIV/AIDS, domestic violence, child abuse, climate change and conserving marine life around the islands. SEK's approach is to educate people on the true value of their natural resources, to teach them how to better look after their environment, and to highlight the dangers of uncontrolled resource exploitation in the province. The group promotes the involvement of women in decisions about resource development. SEK works with the Pacific Heritage Foundation, which is helping landowners, earn income by milling their own timber rather than selling their logs to foreign timber companies.

The Pacific Heritage Foundation (PHF) was started in 1993. Its key objectives are to promote practices that sustain the cultural and environmental heritage of PNG. It pursues a community development strategy that works with all sections of the community. Its activities include projects to aid mothers and their families to address the problems living in care centres. It supports small-scale forestry and community development projects, and tries to help groups from allowing outside loggers into their areas.

The ENB Council of Women (ENBCW) is a semi-non-government organisation established in 1973 to voice women's concerns on social, political, economic, cultural and religious activities. More recently it has concentrated on the rehabilitation of displaced women, children and families from villages that were affected by the volcanic eruptions. Currently there is a review of the Council's vision, mission statements, and objectives, guiding principles, services and organisational structure. The ENBCW has adopted the provincial government reform structure and established District Councils, Local Level Councils and Ward Councils.

The ENB Small Farmers Association was formed in 1994 as a Smallholder Cocoa Farmers Committee. It was originally set up during the implementation of the ENB Smallholder Development Project. However after this project was wound up in 1996 the services to

small farmers began to deteriorate. The community decided to incorporate the group to become an association.

Another NGO active in the rural sector is the Organisation for Industrial, Spiritual and Cultural Advancement (OISCA) whose training programs are largely funded by the Japanese International Cooperation Agency (JICA), but designed by the Department of Agriculture and Livestock. OISCA provides training courses consisting of the latest integrated farming methods and appropriate technology. Its main clients are youth from all over PNG. The organisation mainly focuses on sustainable farming, with rice production as the main component. A former ENB Member of Parliament established OISCA in 1987.

Another successful organisation in the province has been the ENB Savings and Loan Society. The society is one of only a very few that has managed to operate in the rural areas of PNG. It has its head office in Kokopo with branch offices in Kerevat and Rabaul. The Society currently has a membership of around 25,000. It provides loans for individuals as well as various businesses e.g. bakeries, cocoa fermentries, and assistance to cocoa and coconut farmers.

Since Rabaul was devastated by the volcanic eruption in October 1994, work has been in progress on the restoration of the Gazelle Peninsula, much of it financed by aid. As one of the restoration projects the Japanese Government funded a complete rebuilding and re-equipping of the NBC's provincial Radio East New Britain facility.

As a result, Radio East New Britain or "Maus blong Tavurvur" (the mouth of the volcano) now has the most modern, reliable and powerful systems in the NBC and transmits on three frequencies, MW, SW and the most popular Stereo FM band. The station provides news and information, educational and entertainment services to the East New Britain population in Kuanua, as well as English and Pidgin.

The station broadcasts 18 hours a day, from 0500 to 2300 hours. The music is a mix of PNG (Current Hits, String Bands, Traditional Songs, Gospel, Choirs) and International (from Gold 60s up to the 90s and some current hits). The station mainly aims at an adult

audience, but also aims some daytime programming at younger age groups. Radio ENB has wide appeal across the demographics and an estimated audience of over 175,000 people in ENB Province and nearby parts of the New Guinea Islands region. The station is allowed to accept advertising to help meet operational costs.

The University of Vudal and the Provincial Administration have recently agreed to establish a project for integrated agricultural training for rural farmers in ENB. The project will be funded through the AusAID PNG Incentive Fund. The project involves access to training, credit and market information. A community resource centre will be built at the University to provide training and information in all areas of rural development, enterprise development and natural resource management.

6.6. Conclusions

At the time of independence it was argued by PNG policy-makers that decentralisation would lead to democratic participation in decision-making by devolving power down to the provinces. To some extent this has happened in ENB, to a lesser extent in EHP, and to a very limited extent in Gulf. Clearly the failure of the 1995 *Organic Law on Provincial and Local-level Governments*, originally seen as the most far reaching reform since 1975, is a good indication that isolated legislation to change the structure of institutions does not guarantee that there will be changes in the values and attitudes of politicians or the general community.[370] In addition provincial and especially local level governments currently lack the technical and project management skills required to implement the aims of the 1995 reforms.

In ENB Regan found that the 'degree of support for provincial government also means that it is very much open to public scrutiny, something which acts as an important check not evident in most other provinces.'[371] Also in ENB civil society organisations are largely locally based and have a generally cooperative relationship with the Provincial Administration. In the case of Eastern Highlands Stewart found that during the early 1980s relations of trust were not inviolable but where they existed they overlapped with ethnic and cultural ties to create a sort of "spontaneous solidarity" in the government of the province.[372] However the broad consensus which characterised this period could not

survive the pressures imposed by so many ethnic groups. As the economic fortunes of the province declined with the coffee price these divisions were further exacerbated.

In PNG the multiplicity of ethnic groups frustrates attempts to form long-run multi-ethnic coalitions even at the provincial level. Brown and Ashman have shown in their case studies how 'social capital is also indicated by the existence of individuals or organizations with the intersectoral relationships that enabled contact among parties with different interests and backgrounds. Such "bridges" between sectors facilitated the recognition of common problems and shared interests in problem solving.[373] In Gulf, and to a lesser extent in Eastern Highlands, organisations which bring diverse groups together to solve common problems are lacking. In this context the establishment of the EHPAC is a very positive step for rebuilding social capital in that province.

The overall evidence from the qualitative research is that an explanation for the failure of effective government in Gulf and Eastern Highlands may be found in social capital theory. Clearly the nature of social capital in PNG, probably the most ethnically fragmented country in the world, poses some unique problems for effective government if social capital theory is valid. It seems true from this research that ethnic group's can both generate benefits and inflict costs on societies, and it appears from the field investigation that ethnic fragmentation does affect the performance of government institutions. In communities with effective government and high levels of 'bridging' social capital, development seems to have been more likely. Alternatively when a society's social capital is in primarily social groups disconnected from one another (i.e. ethnic groups), it is more likely that powerful groups will dominate government, to the exclusion of other groups, and development will be slower. In ENB a broad consensus across ethnic groups and cooperation between government and civil society favours effective government whereas in Gulf and Eastern Highlands the multiplicity of ethnic groups and a lack of cooperation between government and civil society frustrate any attempts to maintain a consensus necessary for effective government. Gulf faces some very formidable obstacles but the establishment of a body along the lines of the EHPAC might be a good first step for building social capital in that province.

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CHAPTER 7

EXPLAINING PROVINCIAL PERFORMANCE IN PNG

'Institutions that were established as these countries attained independence have come under pressure as the aspirations of power players have grown, and as unresolved tensions – pushed underground by colonial muscle – have re-emerged.'[374]

7.1. Introduction

This chapter replicates Putnam's methodology in the context of provincial government in PNG. The available data for measuring provincial performance and the stock of social capital at the provincial level are discussed, and some preliminary analysis of the relationship between social capital and provincial development and performance is given. The primary aim of this chapter is to analyse the feasibility and the validity of both measuring social capital and identifying its role in explaining the differential performance of provincial governments across PNG. The focus of my research is on provincial government in PNG, because the apparent failure of provincial government in PNG is increasingly given as a reason for the lack of broad-based development. An analysis of provincial government provides an opportunity for comparison. Case studies of East New Britain, Gulf and Eastern Highlands Province were undertaken because of the difficulties of generalising about the relationship between sociopolitical factors and government performance. In *The Logic of Comparative Social Inquiry* Przworski and Teune argue that, although achieving a high level of generality should be a basic goal of social science significant difficulties can arise in generalising beyond an initial set of cases.[375] These three provinces have been chosen because of the availability of relevant data, and to provide a contrast in terms of their socioeconomic and cultural characteristics.

Various reasons are given for the poor performance of provincial government in PNG, including inappropriate design (i.e. the revised Organic Law), a lack of economic and financial resources, low level of skills and cultural impediments. John Burton also argues that 'many of the problems of provincial development... are traceable to cultural attitudes, not to absolute shortage of money, nor to intrinsically badly educated officials and politicians. Culture is praiseworthy - in village affairs. When it invades government, it leads wittingly to cronyism and nepotism, and unwittingly, to structural imbalances that

may take years to correct.'[376] However the precise nature of political culture is uncertain and 'it is undoubtedly necessary to renounce making "political culture" a reservoir of easy explanations, which would make up for any lack of understanding and even discourage further efforts to discover other possible causes. In too many models, culture remains an independent variable that unilaterally influences political phenomena. That is why we must applaud when research is done in order to understand what political culture itself depends on – how it is fashioned, along what processes, under the pressure of what conflicts, events, conscious policies.'[377] I have chosen to use a combined quantitative and qualitative research design because my case study analysis is focusing on real-life situations, and embedded in a particular social and political context.

7.2. Measuring Government Performance in PNG

The aim of this section is to identify the available quantitative measures of institutional performance applicable to provincial government in PNG. Wilson published the first comprehensive study of disadvantaged districts in PNG in 1974.[378] Wilson used six indicators to identify the level of socio-economic development for each sub-district (pre-independence the districts were known as sub-districts). The indicators used were:

- smallholder cash crop production;
- hospital beds per 1,000 people;
- administration staff per 1,000 people;
- enrolments at primary and secondary schools per 1,000 people
- accessibility to the sub-district headquarters; and
- the level of local government services.

In 1984 the PNG National Planning Office requested the PNG Institute of Applied Social and Economic Research (IASER) to conduct a study on spatial inequalities at the district level. This study attempted to delineate differences in socio-economic development at the district level based on an initial list of 32 indicators.[379] The social indicators used for the study were derived primarily from the Provincial Data System and the 1980 National Population Census.

TABLE 5

Provincial Development Rankings

Province	Dev Ranking 1986	Dev Ranking 1984	Dev Ranking
Western	10	11	18
Gulf	9	9	13
Central	6	7	16
Milne Bay	8	8	15
Oro	7	6	6
Southern Highlands	18	18	14
Enga	19	19	12
Western Highlands	13	16	2
Simbu	12	12	9
Eastern Highlands	16	17	7
Morobe	17	14	11
Madang	15	11	17
East Sepik	11	10	10
Sandaun	14	15	19
Manus	3	2	3
New Ireland	4	5	4
East New Britain	1	4	1
West New Britain	5	3	8
Bougainville	2	1	5

Sources: de Albuquerque, K and D'Sa, E. 1984, *Spatial inequalities in Papua New Guinea: A Provincial Level Analysis,* IASER, Mimeograph, Port Moresby; de Albuquerque, K and D'Sa, E. 1986, *Spatial Inequalities in Papua New Guinea: A District Level Analysis,* IASER, Discussion Paper No 49, Port Moresby. Hanson, L.W., Allen, B.J., Bourke, R.M., and McCarthy, T.J. 2001, *Papua New Guinea Rural Development Handbook,* The Australian National University, Canberra.

The indicators were categorised under six main categories: demographic, migration, economic, education, access; and health. A summary of the social indicators used is provided in Appendix C. A development ranking for the provinces had previously been estimated by the same authors in an earlier analysis of spatial inequalities in PNG.

In their study of provincial inequalities the researchers used 41 indicators, among them, per capita value of cash crops produced, per capita domestic factor income, per capita expenditure for salaries of teachers and public servants, per capita value of all buildings completed during 1980, registered motor vehicles per 10,000 population, and road length per 1,000 population.[380] In their 1986 study the researchers aggregated the district scores to the provincial level revealing a favourable comparison with the earlier preliminary study.

The development ranking for the provinces is given in Table 5 above where the left column is the result from their 1986 study and the right column is their 1984 result. Both of these rankings have been tested in the following analysis, and they provide very similar results.

The third column in the table is a ranking of the provinces using the results of the analysis by the Land Management Group (LMG) at the Australian National University.[381] The LMG combined data from two spatial databases: the PNG Resource Information System (PNGRIS), and the Mapping Agricultural Systems of PNG Project (MASP) database. The PNGRIS was completed in 1986 and provides data on environmental attributes such as altitude, landforms, geology, slope gradient, rainfall, vegetation and soils. MASP was completed in 1998 and provides data on village agriculture such as the crops grown, fallow length, cropping period, agricultural intensity, land management practices, cash earning activities and rural population.

The parameters used in their analysis of the PNG districts include population, access to services, income from agriculture, agricultural pressure and potential and disadvantaged people. Adding together a score on land potential, agricultural pressure derives a disadvantage index, access to services, income from agriculture and child malnutrition.

- Land potential was defined by classifying updated PNGRIS environmental data based on the growth requirements for sweet potato, which is the dominant staple crop in most of PNG.
- The agricultural pressure and potential classes identifying land that is under-utilised and over-utilised. This is defined by mismatches between land potential and agricultural intensity.
- Access to services was defined as the time taken to travel by foot, vehicle or boat from each MASP 'agsystem' to the nearest service centre. The access classification is qualitative and based on field experience.
- Income from agriculture was estimated for each MASP 'agsystem' based on the observed presence and significance of 21 agricultural cash earning activities. Both export and non-export commodities were considered and include animal products, betel nut, cardamon, cattle, chillies, cocoa, copra, coffee, crocodile products, firewood, fish, fresh food, oil palm, potato, pyrethrum, rice, rubber, sheep, tea and tobacco.

- Information on child malnutrition is drawn from the 1982-83 PNG National Nutrition Survey. In the analysis data on weight-for-height (wasting) and height-for-age (stunting) are used.

Therefore the LMG's classification of disadvantaged districts incorporates a balance of environmental, social and economic data to reflect the factors that create disparities between rural people. For details of the rankings see Appendix D.

An approach adopted by Axline in his study of provincial government in PNG may be applied to measure provincial performance.[382] He examined the performance of provincial governments with regard to legislative activity, the capacity to extract and allocate resources, and the setting of provincial priorities. This is similar to Putnam's approach in his Italian study, where he examined all regional legislation from 1970 to 1984, with special emphasis on his six selected regions, seeking to evaluate the regional legislative performance. In Axline's study, administrative capacity encompasses the broader policy-making process, from formulation to implementation, including the elaboration of long term goals and the day-to-day operation of the department of the province. This is also similar to Putnam's approach, where he initiated comprehensive case studies in six selected regions of social and economic planning to 'recreate the policy process from the demand side, follow it through the "black box" of government, and trace its progress into the stage of administrative implementation and its final impact.'[383] Axline adopts five categories under which provincial government administrative performance can be evaluated; namely:

- general planning, programming and policymaking;
- coordination, cooperation and communication;
- political cooperation and support;
- administration and management; and
- local and district affairs.

Axline was able to draw up a profile of provincial performance from which a general idea of the relative levels of provincial administrative capacity could be obtained across the five categories. It also enabled him to analyse the range of difference between the best and the

worst performing provincial governments, and the kinds of problems posing the greatest obstacles to more effective provincial policy making. He concluded that it 'confirms the widely held perception that administrative capacity at the provincial level is very limited while at the same time there are marked differences among provincial governments.'[384]

TABLE 6

Axline's Measures of PNG Provincial Performance

Province	Acts Adopted	Prov Rev	Capital Works
Western	33	0.17	57.33
Gulf	40	0.11	36.99
Central	44	0.24	9.91
Milne Bay	37	0.72	23.13
Oro	29	1.18	62.00
Southern Highlands	31	0.12	23.43
Enga	31	0.12	29.03
Western Highlands	40	0.00	N/A
Simbu	39	0.20	63.49
Eastern Highlands	49	1.10	27.70
Morobe	54	1.37	22.55
Madang	34	0.25	5.96
East Sepik	31	1.14	4.53
Sandaun	32	N/A	-6.63
Manus	38	0.44	29.22
New Ireland	36	0.36	-0.39
East New Britain	29	0.94	-2.52
West New Britain	35	0.38	-16.34
Bougainville	67	0.64	-13.82

Source: Axline, W.A. 1986, *Decentralisation and Development Policy: Provincial Government and the Planning Process in Papua New Guinea,* Monograph No 26, IASER, Boroko.

The PNG Department of Decentralisation developed the data on which Axline's analysis was based in co-ordination with provincial governments from 1980 to 1983. A set of criteria embracing eight areas of activity, for which data were collected on a quarterly basis, were:

- provincial level planning, decision making, implementation and reporting;
- financial management;
- Provincial Assembly/PEC, Secretariat and ministerial support staff;
- local level government and district administration;

- personnel management;
- management of physical resources and equipment;
- political relationships and relationships of support with national departments and agencies; and
- divisional progress.

Axline's assessments provide a basis for drawing up a profile of provincial performance from which a general idea can be obtained of the relative levels of provincial administrative capacity across the categories, the range of difference between the best and the worst performing provincial governments, and the kinds of problems which pose the greatest obstacles to more effective provincial policy making.[385]

Widely held perceptions of regional differences in PNG were supported by his analysis. The two best performing provincial governments were in the New Guinea Islands region and the two worst were in the Southern (Papuan) region. Differences do not clearly follow regional lines, however. Even though no provincial government in the Southern region was among the better performers, one Islands region provincial government was among the worst third of all provincial governments. Performance of provincial governments in the Highlands and Mamose region was also mixed, with some better and some poorer examples in each.[386] Key data for provincial government performance from Axline's study is provided in Table 6.

The making of laws is the most fundamental way of making political decisions in a parliamentary democracy, and it is on the basis of these laws that governments have the authority to act. Under the Organic Law, provincial legislation is the source of provincial executive power, and it is in the making of provincial laws that one can look for the first indication of the exercise of policy-making power. The first column in Table 6 shows the laws that have been adopted by provincial legislative assemblies' form 1977 to 1982 by province. The pattern of provincial legislative activity varies greatly across provinces, with Bougainville with 67 acts, Morobe with 54 acts, and Eastern Highlands with 49 acts standing out from the other provincial governments which range from 29 acts for Oro and East New Britain to 44 for Central Provincial Government.

One of the basic functions of any government is the raising of revenue to provide resources for its own operation and the allocation of those resources as part of policy implementation. The policy-making performance of a government depends in part on its ability to extract resources from society as a means of raising revenue and its ability to allocate those resources in such a way as to further its policy aims.

There are a number of indicators of the ability of provincial governments to extract and allocate resources, including raising revenue from taxation, allocating expenditure in pursuit of policy objectives, discharging the responsibility to maintain provincial assets, and maintaining overhead costs of running government at a reasonable level. Provincial governments can be judged by examining their records on each of these indicators through analysis of provincial budgets. This gives an indication of policy-making performance related to resource extraction and allocation. Column two in Table 6 provides provincially raised revenues in 1982 as a proportion of total Provincial Factor income. One indicator of the effectiveness of allocation of development resources by provincial governments is their ability to spend the funds, which they have allocated. The proportion of capital works provides such an indicator funds that have been budgeted but have not been spent. Column three in Table 6 gives the provincial expenditure on New Capital Works in 1982 under-spending percentage of the estimate. Again, it should be kept in mind that this indicator does not take into account whether particular projects respond to the most pressing needs, nor whether the funds are being used effectively.

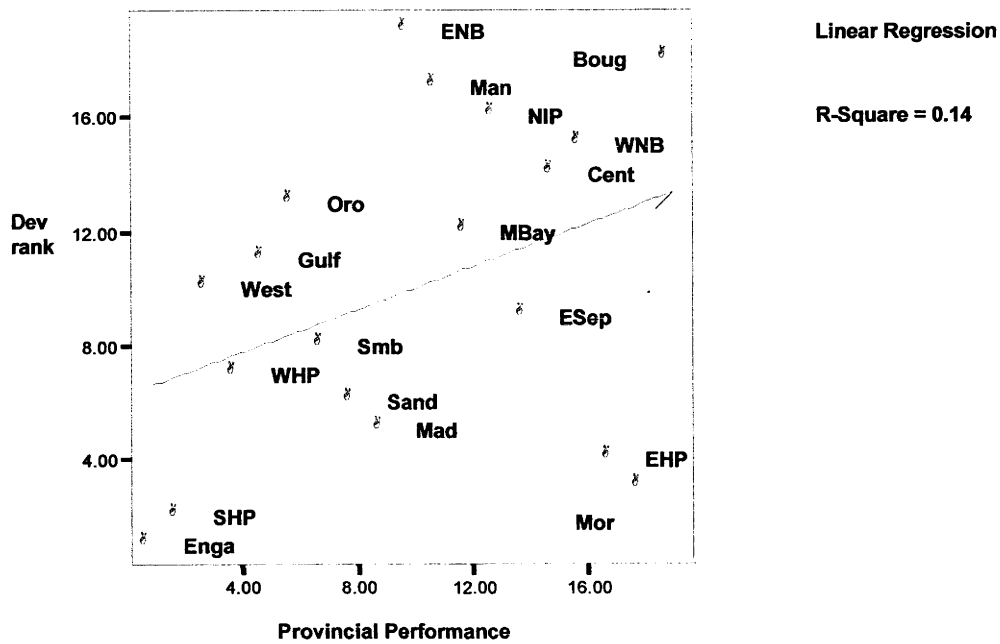
Axline's results are interesting when they are compared with the development rankings produced by de Albuquerque and D'Sa, who found the most developed provinces were the outer island regions of New Ireland, New Britain, Bougainville and Manus, while the least developed regions were the Highlands provinces of Enga and the Southern and Eastern Highlands. Axline's aggregate ranking of provincial performance is shown in Figure 6, with the provincial development indicators. The provincial abbreviations used in the scattergrams are explained in Appendix B. **Overall while there is some commonality between the two indicators (the Islands Region score high and some parts of the Highlands score low on both measures, for example), the similarities are outweighed by the differences – suggesting that government effectiveness alone does not account for differences in provincial development. This suggests that some other factor**

account for provincial development.

FIGURE 6

Provincial Development and Performance

r = .375



Another measure that may be used to compare provinces is the Human Development Index (HDI). The HDI is based on three indicators: longevity, as measured by life expectancy at birth; educational attainment, as measured by a combination of adult literacy and combined elementary, primary, and secondary education; and level of living, as measured by the Domestic Factor Income per capita. The measure used for PNG is therefore slightly different to that which is normally used for the global report. Domestic Factor Income includes formal, non-formal, and subsistence components. However the HDI is not only a measure of comparative income levels but also measures the level of educational attainment and longevity of life. These two measures are important for the quality of life, and provide an indication of people's ability to participate in development.[387]

The HDI has a maximum value of 1.00, which represents a near optimal situation, and 0.00,

which represents a minimum value. These measures would also be expected to reflect, to some extent, the relative performances of the provinces. As can be seen the provincial ranking indicates enormous disparities between provinces. Five of the six Southern region provinces and all the Islands region provinces are among the top ten provinces. Only one province from the Momase region (Morobe) is ranked among the top ten provinces. The remaining three provinces from Momase and all the Highlands region provinces lie below the national average.[388] Table 7 shows the HDI value for 1996 according to provinces, as well as, Real Domestic Factor Income (DFI) per capita, the Life Expectancy Index (LEI), and the Education Index (EI) for 1996.

In summary the three available measures seem to confirm that the better performing provinces are in the Islands Region while the poorer performing provinces are in the Highlands Region. Some commentators attribute this to historical and population factors; however it seems from this analysis that the level of development has been also influenced by some other important factors. All of these measures were tested in the following analysis, however the rankings provided by de Albuquerque and D'Sa are shown.

TABLE 7

PNG Human Development Index

Province	HDI	DFI	LEI	EI
Western	0.472	1,829	0.501	0.631
Gulf	0.331	381	0.351	0.594
Central	0.408	481	0.526	0.636
Milne Bay	0.420	758	0.468	0.684
Oro	0.386	532	0.518	0.569
Southern Highlands	0.274	625	0.460	0.276
Enga	0.283	737	0.434	0.309
Western Highlands	0.282	490	0.501	0.280
Simbu	0.320	417	0.519	0.387
Eastern Highlands	0.325	709	0.519	0.355
Morobe	0.389	1,240	0.470	0.510
Madang	0.336	505	0.479	0.463
East Sepik	0.304	449	0.461	0.394
Sandaun	0.262	607	0.345	0.359
Manus	0.421	634	0.537	0.638
New Ireland	0.396	493	0.529	0.593
East New Britain	0.431	833	0.508	0.664
West New Britain	0.394	595	0.511	0.589

Source: Government of PNG. 1999, *Papua New Guinea: Human Development Report 1998,* Office of National Planning, Port Moresby.

7.3. Measuring Social Capital in PNG

The aim of this section is to identify the available quantitative measures of social capital applicable to PNG provinces. Empirical studies differ among themselves in the way they attempt to measure social capital. Some have measured social capital by the density of networks while other studies have used measures of trust. Other studies have combined a measure of network density with some proxies for assessing the strength of relevant norms. Krishna and Shrader in the Social Capital Assessment Tool argue that 'neither an exclusively networks-based nor an entirely norms-dependent measure suffices for scaling social capital.'[389] Putnam used in his Italian analysis horizontally organised networks to measure social capital, and he argues those vertical networks, no matter how dense and no matter how important to its participants, could not sustain social trust and cooperation. More recent studies carried out in other countries indicate that 'horizontally shaped networks do not necessarily reveal the presence of higher social capital.' Because of the enormous uncertainties surrounding this issue, Krishna and Shrader have expressed the view that 'what sorts of norms are associated with which types of networks cannot be assumed in advance but it must be verified independently for each social context'.[390] Four measures of social capital are tested in this study, namely: the quality of education; the level of community knowledge about current events; the number of women's community based organisations operating in six provinces, the number of rugby league football clubs, and the number of women in local politics. The reasons for selecting these measures are explained in each case below. Tables 8 and 9 below show the correlation coefficients between each of these variables.

Social Capital and Education

Recent research shows an important relationship between social capital and education. In particular it indicates that social capital is not only a critical input for education, but also a by-product. In addition to strengthening the human capital needed for economic development, social development and state accountability, education seems to foster social capital networks. It seems that social capital is produced through education in three ways: students practice social capital skills, such as participation and reciprocity; schools provide

forums for community activity; and through public education students learn how to participate responsibly in their society.

TABLE 8

Correlations for Provincial Development

	Educ Qual	Sports Groups	Womens Groups	Youth Groups	News Readers	Radio Listener	Women Politics
Dev Rank	.735	.574	.705	.548	.520	.751	.481
Educ Qual	1.0	.831	.801	.802	.543	.847	.082
Sports Groups	.831	1.0	.938	.865	.164	.887	.238
Womens Groups	.801	.938	1.0	.894	.229	.899	.466
Youth Groups	.802	.865	.894	1.0	-.114	.673	.186
News Readers	.543	.164	.229	-.114	1.0	.565	.142
Radio Listener	.751	.847	.887	.899	.673	1.0	.305
Women Politics	.082	.238	.466	.186	.142	.305	1.0

TABLE 9

Correlations for Provincial Performance

	Educ Qual	Sports Groups	Womens Groups	Youth Groups	News Readers	Radio Listener	Women Politics
Axline	**.391**	**-.203**	**.180**	**.223**	**.176**	**.333**	**.101**
Educ Qual	**1.0**	**.831**	**.801**	**.802**	**.543**	**.847**	**.082**
Sports Groups	**.831**	**1.00**	**.938**	**.865**	**.164**	**.887**	**.238**
Womens Groups	**.801**	**.938**	**1.0**	**.894**	**.229**	**.899**	**.466**
Youth Groups	**.802**	**.865**	**.894**	**1.0**	**-.114**	**.673**	**.186**
News Readers	**.543**	**.164**	**.229**	**-.114**	**1.0**	**.565**	**.142**
Radio Listener	**.847**	**.887**	**.899**	**.673**	**.565**	**1.0**	**.305**
Women Politics	**.082**	**.238**	**.466**	**.186**	**.142**	**.305**	**1.0**

It is true that levels of educational attainment are linked to levels of economic development. However, financial resources alone do not guarantee positive educational outcomes for students. Considerable evidence shows that family, community and state involvement in education improves outcomes. Primary schools constitute a centre for social capital in rural areas of PNG. While they are considered to be government institutions they are also funded in a large part by the community. School based research in both developed and developing countries indicates that social capital plays an important role in creating effective schools. Francis et al in Hard Lessons: Primary School, Community and Social Capital in Nigeria undertook in 1997 a survey of 54 schools and communities across six

zones in Nigeria concerning primary school quality and found that school environments were not conducive to learning.[391] The research in Nigeria indicates that trust between parents and teachers, the effectiveness and involvement of the local PTA, and the support and effectiveness of the governmental administration are key components in producing effective schools. In Nigeria it was concluded that the changing relationship between school and community are reflected in the decline of involvement in building educational capacity. The study found that an effective school could be identified as when:

- parent support for the school is high, they attend meetings, give feedback, make contributions and help with projects;
- teacher cooperation and motivation is high, absenteeism and misbehaviour low;
- school functions effectively and smoothly; and
- administration and education officials view the school favourably.[392]

TABLE 10

Education Quality

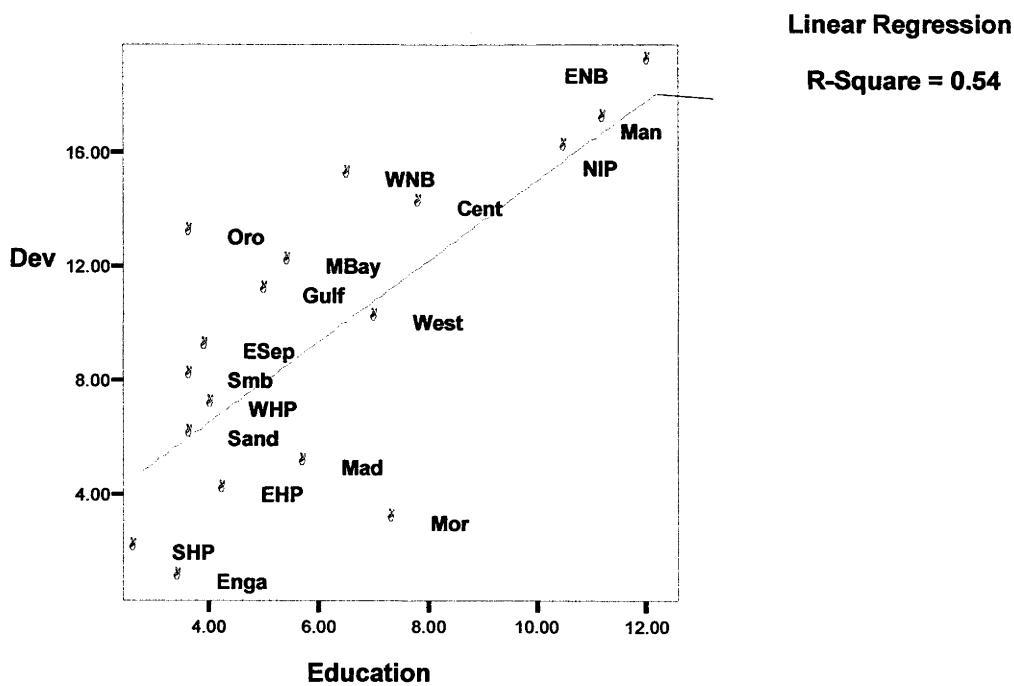
Province	Education quality	Total Popn
Western	7.2	153,304
Gulf	5.2	106,898
Central	8.0	183,983
Milne Bay	5.6	210,412
Oro	3.8	133,065
Southern Highlands	2.8	546,265
Enga	3.6	295,031
Western Highlands	4.2	440,025
Simbu	3.8	259,703
Eastern Highlands	4.4	432,972
Morobe	7.5	539,404
Madang	5.9	365,106
East Sepik	4.1	343,181
Sandaun	3.8	185,741
Manus	11.4	43,387
New Ireland	10.7	118,350
East New Britain	12.2	220,133
West New Britain	6.7	184,508

Source: Rannells, J. 1995, *PNG: A fact book on modern Papua New Guinea*, Oxford University Press, Melbourne; Government of PNG. 1999, *Papua New Guinea: Human Development Report 1998*, Office of National Planning, Port Moresby. PNG National Statistical Office. 2001, *2000 National Census of Population and Housing – Papua New Guinea – Preliminary Figures*, NSO, Port Moresby.

It has therefore been found that family, community and state involvement helps to increase the relevance and quality of education by improving ownership, building consensus, reaching remote and disadvantaged groups, mobilising additional resources, and strengthening institutional capacity. The percentage of the population that has completed year 10 at school is provided in the table 10 above to provide an indication of the relative levels of 'educational quality' achieved in each province. The statistical relationship between provincial development (the dependent variable) and the quality of education (independent variable) are shown in Figure 7 below. The Pearson Correlation is r = .735, which indicates an association between the two variables, and it, appears that a higher quality of education is associated with a higher level of development and is statistically significant. It should be noted that an education indicator is incorporated into the development measure. R squared is also shown because when two variables are related, positively or negatively, they vary together. This means they share common variance, and therefore if we square it we get a numerical estimate of the proportion of the variance in one variable that is held in common with, or accounted for by the other.

FIGURE 7

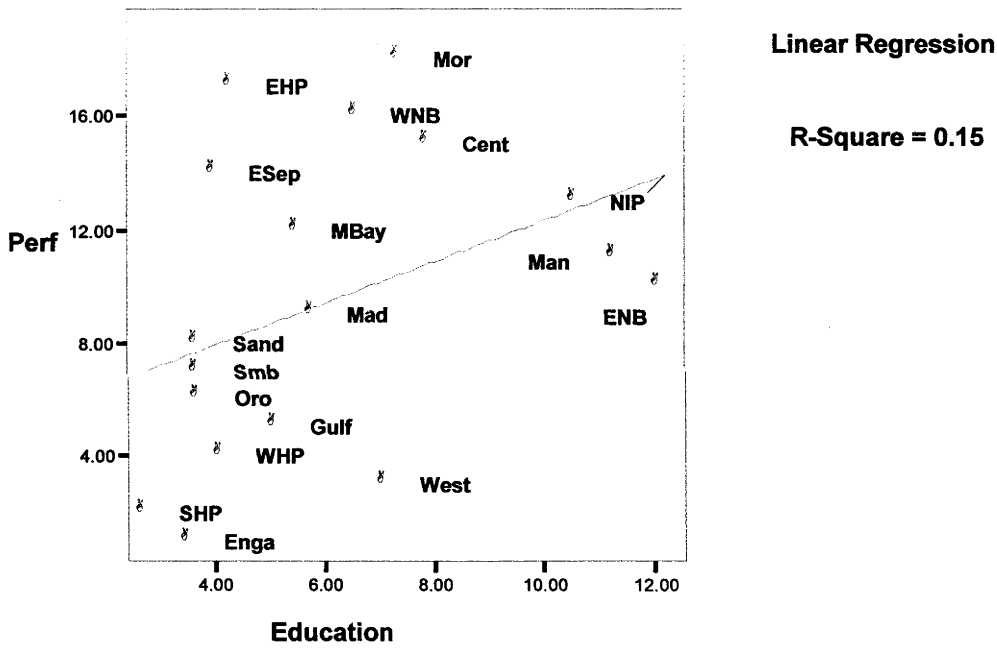
Provincial Development and the Quality of Education



In comparison Figure 8 below shows a similar correlation but this time between the quality of education in the provinces with provincial government performance. The statistical relationship between provincial government performance (the dependent variable) and the quality of education (independent variable) are shown. The Pearson Correlation is r = .391, which indicates a weaker association between the two variables, and is not statistically significant.

FIGURE 8

Provincial Performance and the Quality of Education



Social Capital and Community Awareness

Another indicator of social capital is the community's awareness about current events. The Papua New Guinea Human Development Report 1998 provides data on communications in PNG because it is argued that it

> plays an essential role in facilitating the process of economic and social development and promoting human development. Modes of communication such as print media; broadcast radio, television, video, postal services and telecommunication services are crucial in the dissemination of information and in linking remote locations to services.[393]

TABLE 11

Community Awareness

Province	Daily Newspapers	Radios	Total Popn
Western	1.1	41.7	153,304
Gulf	0.7	25.1	106,898
Central	0.7	34.8	183,983
Milne Bay	0.6	32.0	210,412
Oro	0.7	33.3	133,065
Southern Highlands	0.4	20.4	546,265
Enga	0.2	25.9	295,031
Western Highlands	1.8	22.5	440,025
Simbu	0.4	24.0	259,703
Eastern Highlands	1.5	30.2	432,972
Morobe	0.3	29.4	539,404
Madang	1.3	34.0	365,106
East Sepik	1.0	28.5	343,181
Sandaun	0.0	21.0	185,741
Manus	1.3	56.6	43,387
New Ireland	0.9	38.9	118,350
East New Britain	3.1	47.1	220,133
West New Britain	1.6	43.2	184,508

Source: Government of PNG. 1999, *Papua New Guinea: Human Development Report 1998*, Office of National Planning, Port Moresby. PNG National Statistical Office. 2001, *2000 National Census of Population and Housing – Papua New Guinea – Preliminary Figures,* NSO, Port Moresby.

The most common form of modern communication in PNG is the transistor radio. However, newspaper readership is probably the most important mode of communication because of the role it plays in providing wide information and views on issues of community concern. Table 11 shows the number of newspapers read, and the number of radios for each province. Figure 9, below, shows the relationship between provincial development and newspaper readership where r = .520 and which is statistically significant. Figure 11, also below, shows the similar relationship but with radios where r = .751 and which also is statistically significant. For Provincial Performance and newspapers r = .176, and for radios r = .333, shown in Figures 10 and 12 respectively.

FIGURE 9

Provincial Development and Newspaper Readership

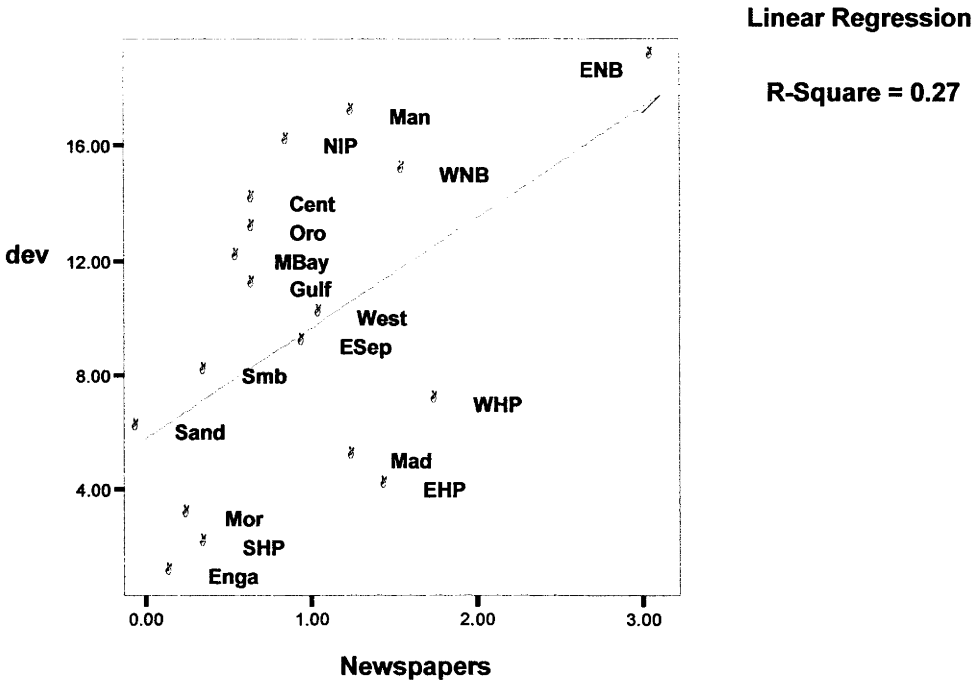


FIGURE 10

Provincial Performance and Newspaper Readership

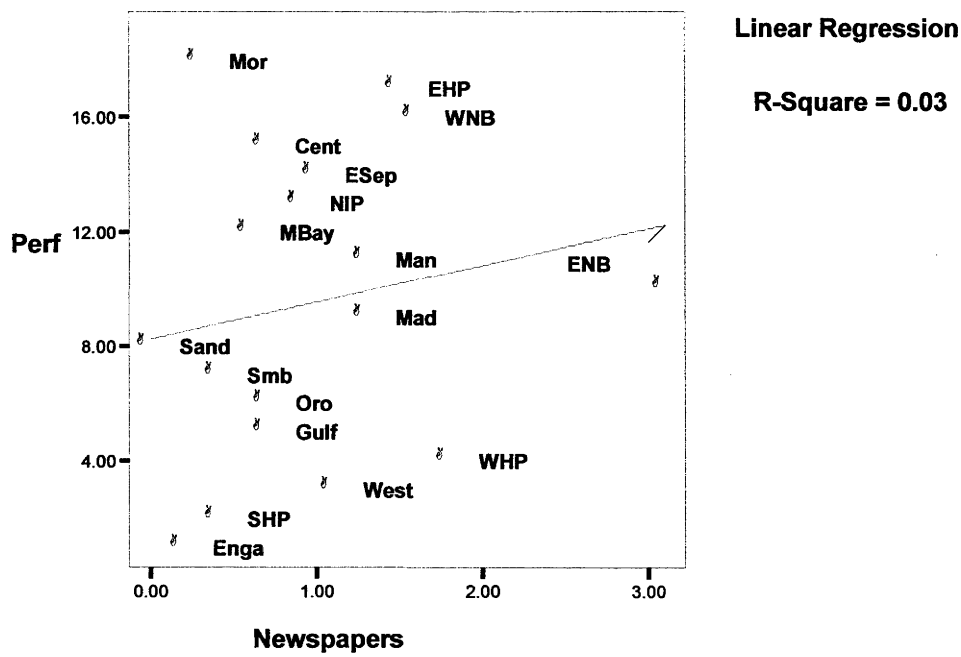
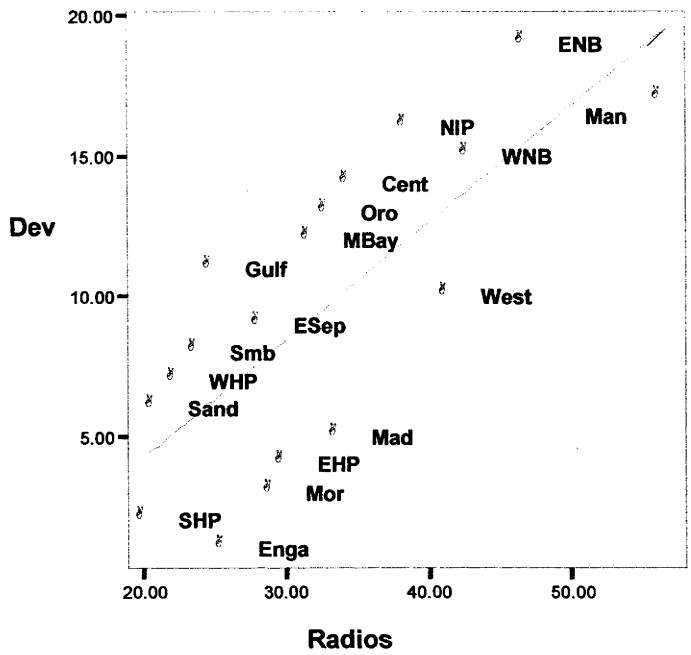


FIGURE 11

Provincial Development and Radios

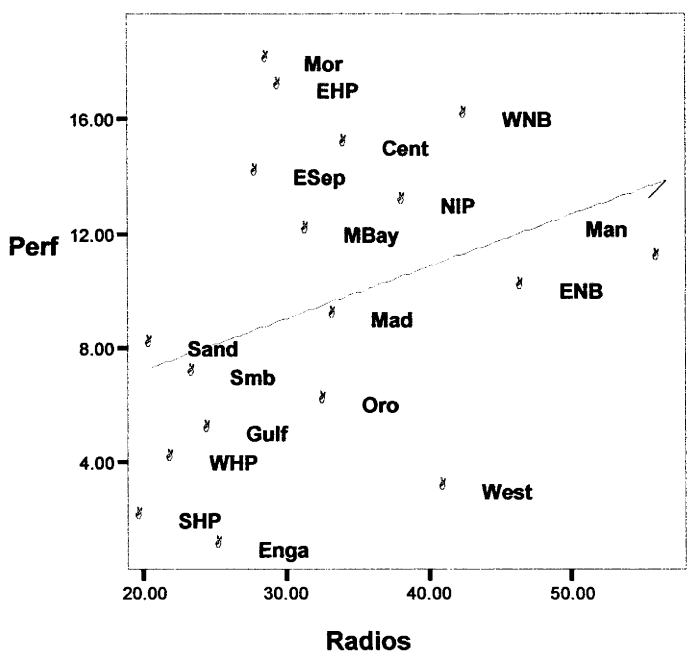


Linear Regression

R-Square = 0.56

FIGURE 12

Provincial Performance and Radios



Linear Regression

R-Square = 0.11

Social Capital and Community Based Organisations

The *Papua New Guinea Human Development Report 1998* highlights the role of village organisations for contributing to a positive social environment, because

> churches and local government councils provide structures for mediating disputes between individuals, clans and tribes to maintain peace and stability within communities. The service agencies, such as health care centres, schools and churches, are instrumental in organising villages to plan and coordinate activities.[394]

In particular there is an important role played by community based groups for women. These groups engage in a range of activities that provide income earning opportunities, non-formal skills training, and literacy and awareness training.

Table 12 provides an estimate of the numbers of these groups in the provinces. The number of women's groups is estimated using the number of census units that have women's groups as reported in the Village Services database. The report also found that there was a strong community desire for sports fields because 'sporting networks also engender personal and communal pride and build communication links and support across communities.'[395] Table 13 also provides data on the density of sports groups in six provinces. Unfortunately data for more provinces is not available.

TABLE 12

Density of Women's and Youth Groups

Province	Womens Gps	Youth Gps	Total Popn
Western	50.0	44.0	153,304
Central	31.0	48.0	183,983
Eastern Highlands	37.0	48.0	432,972
Morobe	34.0	65.0	539,404
Madang	13.0	21.0	365,106
Manus	99.0	98.0	43,387

Source: Government of PNG. 1999, *Papua New Guinea: Human Development Report 1998*, Office of National Planning, Port Moresby. PNG National Statistical Office. 2001, *2000 National Census of Population and Housing – Papua New Guinea – Preliminary Figures,* NSO, Port Moresby.

FIGURE 13

Provincial Development and Women's Groups

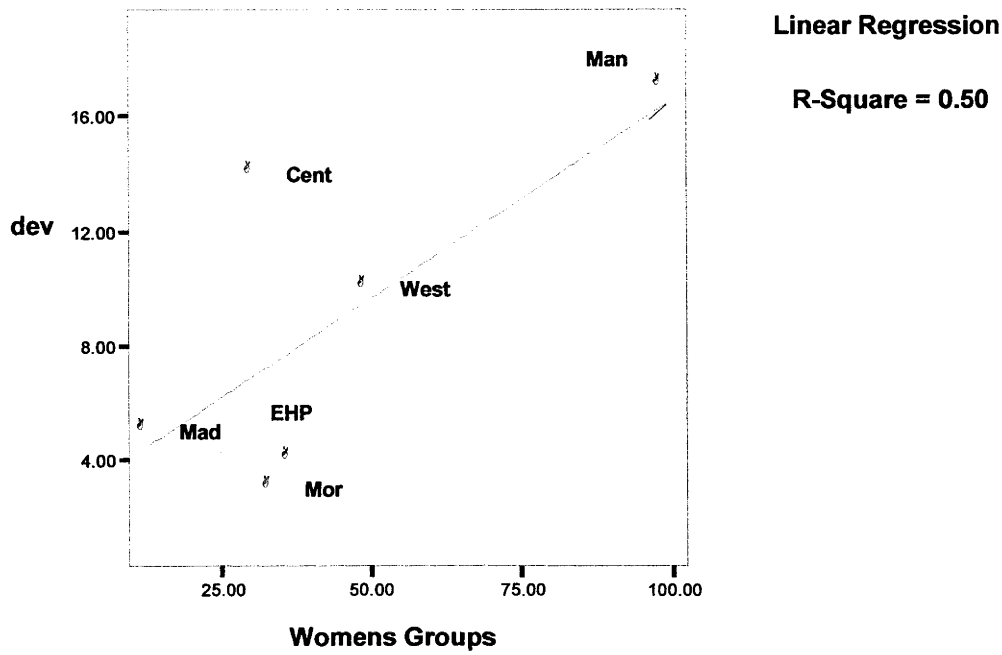
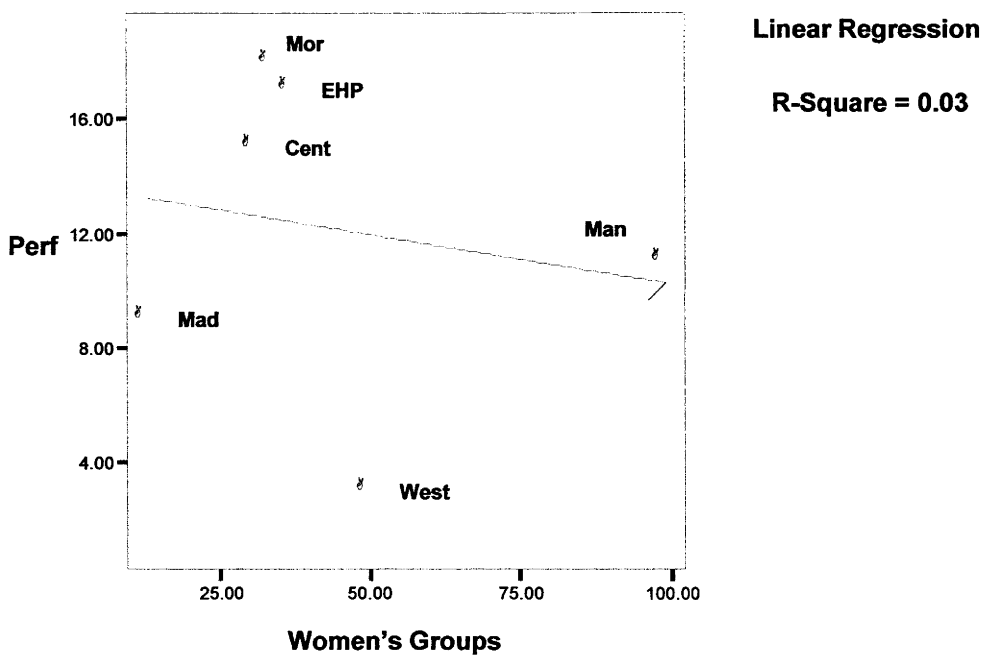


FIGURE 14

Provincial Performance and Women's Groups



The figure above shows statistically the relationship between provincial development and the density of women's groups for the selected provinces. The Pearson Correlation in this case is r = .705 and which indicates a fairly strong association, however due to the small sample it is difficult to draw any conclusions. For provincial performance r = .180.

TABLE 13

Density of Sports Groups

Province	Sports Gps	Total Popn
Western	40.0	153,304
Central	15.0	183,983
Eastern Highlands	22.0	432,972
Morobe	39.0	539,404
Madang	22.0	365,106
Manus	97.0	43,387

Source: Government of PNG. 1999, *Papua New Guinea: Human Development Report 1998*, Office of National Planning, Port Moresby. PNG National Statistical Office. 2001, *2000 National Census of Population and Housing – Papua New Guinea – Preliminary Figures,* NSO, Port Moresby.

FIGURE 15

Provincial Development and Sports Groups

r = .574

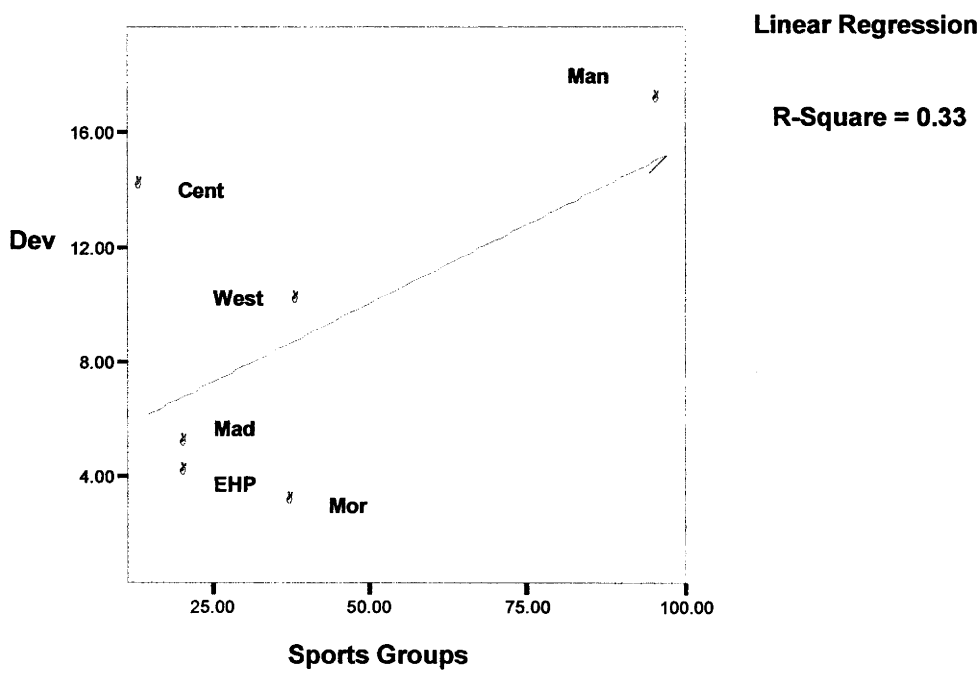


FIGURE 16

Provincial Performance and Sports Groups

r = -.203

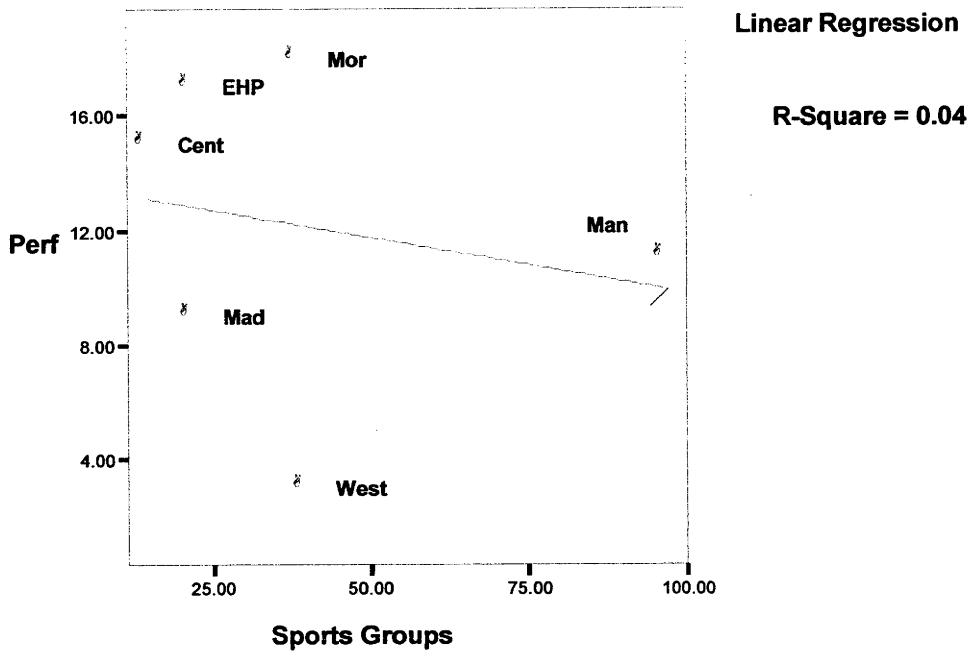


Table 14 below present's data on the number of rugby league football clubs and the numbers of participating players in each of the provinces for the period 1998 to 2001. In PNG rugby league football is probably the country's most popular sport. Putnam found that 'leaving aside labour unions for the moment, sports clubs are by far the most common sort of secondary association among Italians,'[396] and he found a strong correlation between sports membership, and regional performance in Italy. Partial correlation may be used to investigate the relationship between the number of clubs and players with the level of provincial development while controlling for population. The results of this analysis are given in Figure 17 below. There is a medium negative partial correlation between the level of provincial development and the number of players r = .309, n = 15, p<.01.

TABLE 14

PNG Rugby League Football Statistics

Province	Number of Clubs	Number of Players	Total Popn
Western	26	750	153,304
Gulf	15	345	106,898
Central	7	186	183,983
NCD	14	1,127	252,469
Milne Bay	4	159	210,412
Oro	6	227	133,065
Southern Highlands	40	1,189	546,265
Enga	7	231	295,031
Western Highlands	35	1,404	440,025
Simbu	18	373	259,703
Eastern Highlands	28	873	432,972
Morobe	20	820	539,404
Madang	7	205	365,106
East Sepik	6	220	343,181
Sandaun	4	158	185,741
Manus	-	-	43,387
New Ireland	6	325	118,350
East New Britain	8	450	220,133
West New Britain	18	664	184,508
Bougainville	8	397	175,160

Sources: PNG Rugby Football League Inc. PNG National Statistical Office. 2001, *2000 National Census of Population and Housing – Papua New Guinea – Preliminary Figures,* NSO, Port Moresby.

FIGURE 17

Provincial Development and Rugby League Football

Partial Correlation Coefficients: Zero Order Partials

	Dev Rank	RL Player	Population
Dev rank	1.0000 (0) P= .	.3246 (16) P= .189	-.7513 (17) P= .000
RL Player	.3246 (16) P= .192	1.0000 (0) P= .	.6409 (16) P= .004
Popn	.7513 (17) P= .000	.6409 (16) P= .004	1.0000 (0) P= .

Controlling for population

	Dev Rank	RL Player
Dev Rank	1.0000	-.3098
	(0)	(15)
	P= .	P= .213
RL Player	-.3098	1.0000
	(15)	(0)
	P= .226	P= .

(Coefficient / (D.F.) / 2-tailed Significance)

Social Capital and Women in Politics

The role of women in local level politics may also provide an indication of the stock of social capital in a community. At the national level participation is very low with currently only two women members of the national parliament. However at the local level women's participation is higher and this can be partly attributed to a requirement in the new Organic Law that requires some women representation.

TABLE 15

Women in Politics

Province	No of Women	Total Popn
Western	5.6	153,304
Gulf	7.1	106,898
Central	5.9	183,983
Milne Bay	5.0	210,412
Oro	9.1	133,065
Southern Highlands	2.9	546,265
Enga	5.6	295,031
Western Highlands	5.9	440,025
Simbu	4.3	259,703
Eastern Highlands	6.7	432,972
Morobe	3.1	539,404
Madang	5.0	365,106
East Sepik	6.7	343,181
Sandaun	5.0	185,741
Manus	6.7	43,387
New Ireland	7.7	118,350
East New Britain	4.5	220,133
West New Britain	7.1	184,508

Source: Government of PNG. 1999, *Papua New Guinea: Human Development Report 1998*, Office of National Planning, Port Moresby. PNG National Statistical Office. 2001, *2000 National Census of Population and Housing – Papua New Guinea – Preliminary Figures,* NSO, Port Moresby.

FIGURE 18

Provincial Development and Women in Politics

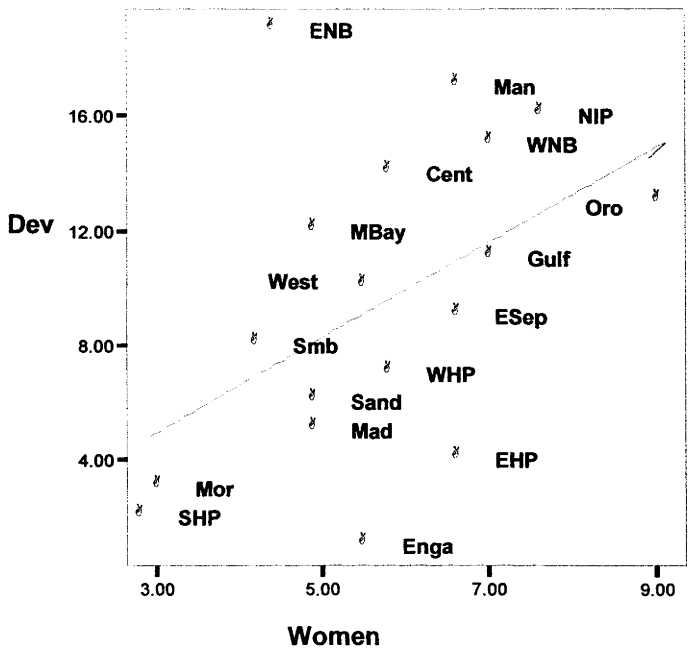


FIGURE 19

Provincial Performance and Women in Politics

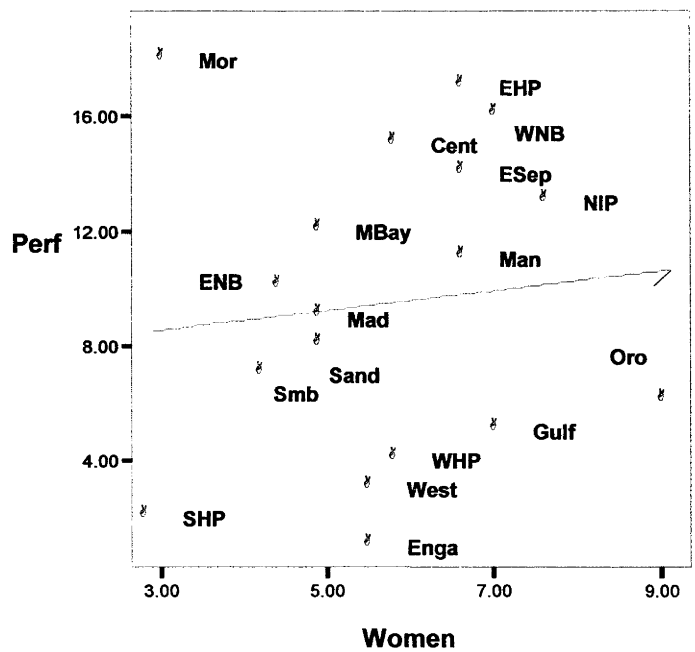


Figure 18 above shows the relationship between provincial development and the number of women in local politics where r = .481 and which is statistically significant at the 0.05 level. In comparison for provincial performance r = .101, and which is shown in Figure 19.

7.4. Conclusions

It has been explained that the specific aim of this study is to analyse the feasibility, and the validity, of both measuring social capital and identifying its role in explaining the differential performance between provincial governments and provincial development in PNG. The purpose of this chapter was to replicate Putnam's methodology in the PNG context. It was found that relevant data to measure provincial development, provincial government performance and social capital in the provinces is very limited. Empirical studies of social capital sometimes try to measure social capital by the density of networks, or by measures of trust. The measures of social capital in this study have been predominantly concerned with the density of social networks. A major weakness of the statistical methodology applied in this study is the uncertainty about the direction of causation. For example, does performance determine education quality or vice versa? The analysis of the available data shows that there is a correlation between provincial development and the available indicators for social capital across the nineteen provinces. However the analysis also shows that there is no clear correlation between the performance of the provincial governments, and the indicators of social capital across provinces which you would expect from the qualitative research.

Most attempts to reform provincial governments have focused on the institutional structure, and on the provision of financial resources, and which are the primary focus of Axline's research. However the analysis shows that the much stronger relationship is between the "development" measures and the social capital indicators. This suggests that there are other factors in the PNG context, which is impacting on development and that the performance of the provincial governments has not been in itself significant.

The literature suggests that possibly the nature of social capital in PNG, probably the most ethnically fragmented country in the world, poses some unique problems in terms of

government performance. A number of studies have shown how ethnic groups can both generate benefits and inflict costs on societies, and how ethnic fragmentation affects the performance of political institutions. Overall the Western notion of civil society finds it difficult to accommodate the importance of ethnicity. We have seen that Woolcock and Narayan have argued that in communities with good governance and high levels of bridging social capital, there is complementarity between state and society, and economic prosperity and social order are likely.[397] Alternatively when a society's social capital inheres mainly in primary social groups disconnected from one another, possibly the more powerful groups dominate the state, to the exclusion of other groups. These complex issues are explored in the next chapter, where the factors of ethnicity and the political process in PNG are explored.

Notes

[374] Callick, R., 2000, "A nation searches for a way between two worlds", *Australian Financial Review,* 25 May.
[375] Przworski, A., and Teune, H., 1970, *The Logic of Comparative Inquiry,* Wiley, New York, p.124.
[376] Burton, J., 1998, "Mining and Maladministration in Papua New Guinea", in Larmour, P., (ed), *Governance and reform in the South Pacific*, Australian National University, Canberra, p.175.
[377] Dogan, M and Pelassy, D. op cit., p.73.
[378] Wilson, R.K., 1974, *Socio-economic indicators applied to sub-districts of Papua New Guinea,* Economic Geography Department Discussion Paper No 1, University of Melbourne, Melbourne.
[379] de Albuquerque, K., and D'Sa, E., 1986, op cit.
[380] de Albuquerque, K., and D'Sa, E., 1984, *Spatial Inequalities in Papua New Guinea: A Provincial Level Analysis,* Institute of Applied Social and Economic Research, Mimeographed, Port Moresby.
[381] Hanson, L.W., Allen, B.J., Bourke, R.M., and McCarthy, T.J., 2001, op cit.
[382] Axline, W.A., 1986, op cit.
[383] Putnam, R.D., 1993, op cit., p.191.
[384] Axline, W.A., 1986, op cit., p.171.
[385] Ibid., p.198.
[386] Ibid., p.171.
[387] Government of PNG, 1999, op cit.
[388] Ibid., p.78.
[389] Krishna, A., and Shrader, E., 1999, *Social Capital Assessment Tool,* Prepared for the Conference on Social Capital and Poverty Reduction, The World Bank, Washington, D.C.
[390] Ibid.
[391] Francis, P., Adelabu, S.P.I., Agi, S., Ogoh Alubo and Owoicho Akbo, 1998, *Hard Lessons: Primary School, Community and Social Capital in Nigeria,* 1-64 World Bank Technical Paper, Washington D.C.
[392] Ibid.
[393] Government of PNG, 1999, op cit.
[394] Ibid.
[395] Ibid.
[396] Putnam, R.D., 1993, op cit., p.91.
[397] Woolcock, M., and Narayan, D., op cit.

CHAPTER 8

ETHNIC HETEROGENEITY AND SOCIAL CAPITAL IN PNG

'In recent years, economists have increasingly turned to ethnic heterogeneity as an explanatory variable to account for cross-country variation in economic growth rates. A number of researchers have found statistically and economically important effects of ethnic heterogeneity on growth.'[398]

8.1. Introduction

In Chapter 2 the importance of ethnic identities in PNG was discussed and then in Chapter 4 some of the studies on the importance of ethnic identities for social capital were explained. In this chapter the possible importance of ethnicity for social capital in PNG is addressed. It was explained earlier that Anthony Smith defines ethnic communities as 'named human populations with shared ancestry myths, histories and cultures, having an association with a specific territory and a sense of solidarity.'[399] It is generally recognised that ethnic groups and ethnic minorities exist by virtue of long standing association across generations, complex relations of kinship, common culture and usually religious uniformity and common territorial attachments. In this study ethnicity is used as a broad concept 'covering a variety of factors which distinguish one group of people from others. Important contemporary distinctions are language, race, religion and colour. When these markers cease to be mere means of social distinctions, and become the basis of political identity and claims to a specific role in the political process or power, ethnic distinctions are transformed into ethnicity.'[400]

There is a wide range of views as to how important ethnicity is in terms of government performance and development. Easterly and Levine argue that the ethnic diversity of African countries undermines their rates of economic growth through two principal mechanisms. Firstly ethnic diversity makes it difficult for agreements to be reached on growth promoting goods like infrastructure and education, and which leads these goods to be under-provided. Secondly, ethnic diversity is likely to transform macroeconomic policymaking into an instrument of "rent-seeking". In their model, the more ethnic groups there are in a country, the less agreement there will be on public goods, the more 'rent-seeking' will take place and as a result the poorer policy choices will be.[401] Along similar lines La Porta et al also argue that ethnic diversity leads to more corrupt and less efficient government. This is because of the tendency of the groups that come to power

to 'fashion government policies that expropriate (or kill) the ethnic losers... and limit the production of public goods to prevent those outside the ruling group from also benefiting and getting stronger.'[402]

As discussed earlier, while opinion is divided on the significance of ethnic diversity on government performance it is recognised that the importance of ethnicity may vary over time as a result of a number of political, social and economic factors. A particularly important factor is the nature of the government institutions. For PNG the transition from a traditional society to a nation-state was far from culturally neutral. The concept of the 'nation state' is fundamentally founded on Western notions of the relationships among the individual, state, and civil society that are not necessarily relevant to PNG. Also in PNG the colonial experience provided for the formation of ethnic identities as a result of the way in which administrative boundaries were established by the colonial government. For the most part provincial boundaries were not determined by ethnic considerations. However 'twenty-seven years after independence, the primary allegiances and identities of most Papua New Guineans remain firmly implanted in local kin-based associations.'[403] Economic, political and social change has disrupted the traditional patterns of power relations in PNG society and these changes have often caused conflict.

8.2. Ethnic Diversity and Language Groups

Like social capital, measuring the degree of ethnic diversity in PNG is no simple task. One possible means to approximate the number of ethnic groups is to use as an estimate of the number of language groups. Data for the number of language groups in each province is provided in Table 16. Data for the number of language groups is approximate because it is difficult to decide if some of the languages spoken by small groups have become extinct. However the number of language groups per province has been compiled using data from Otto Nekitel, and Barbara Grimes.[404] The detailed data may be found in Appendix A. Figure 20 below shows the statistical relationship between provincial development and number of language groups. Figure 21 shows the statistical relationship between provincial performance and language groups. The Pearson Correlation for development and language groups is r = -.315 which

indicates a medium association, and for performance r = .204. These results, on the face of it, reveal that there is no significant direct relationship between either provincial development or provincial performance with ethnicity as measured by language groups.

TABLE 16

Number of Language Groups in Provinces

Province	No of Language Gps	Total Popn
Western	39	153,304
Gulf	16	106,898
Central	25	183,983
Milne Bay	50	210,412
Oro	23	133,065
Southern Highlands	15	546,265
Enga	08	295,031
Western Highlands	12	440,025
Simbu	13	259,703
Eastern Highlands	24	432,927
Morobe	94	539,404
Madang	151	365,106
East Sepik	86	343,181
Sandaun	89	185,741
Manus	29	43,387
New Ireland	18	118,350
East New Britain	11	220,133
West New Britain	28	184,508
Bougainville	25	175,160

Sources: Nekitel, O. 1998, Voices of Yesterday, Today and Tomorrow: Language, Culture and Identity, UBS Publishers, New Delhi; Grimes, B.F. (ed), 2001, *Ethnologue: languages of the world,* 14th edition, Summer Institute of Linguistics, Dallas.

Probably the main reason for this result is the dominance of large language groups in the Highlands Provinces, and where in this region the primary identity is usually the clan. In the lowland areas of PNG language groups' number between a few hundred, and up to perhaps fifteen thousand, hence they probably provide a reasonable approximation of 'ethnic' groups. However language groups in the Highlands can include more than 100,000 members, and therefore do not provide a very accurate indicator of fragmentation. For example the largest language group is Enga which is spoken in the highlands and probably has more than a quarter of a million speakers. The next largest language groups, the Melpa, with about 150,000 speakers, and Kuman,

with about 75,000 speakers are also highland languages. Outside of the highlands the only other province where there is predominant use of the local language is in East New Britain with the predominance of the Kuana-speaking Tolai. It is generally recognised that extreme clan-based tribalism afflicts some of the largest language groups in the Highlands more than in almost any other part of PNG but:

> language was not always the marker which distinguished friend from foe. Frequently, fighting took place (as it still does) amongst clans or lineages of the same language group, and sometimes alliances were formed across language divides. Language groups, in other words, were not necessarily political units.[405]

It is therefore not my argument here that necessarily provinces with lots of language groups do worse than provinces with few language groups but rather it is the nature of ethnic divisions, which is important for provincial development.

FIGURE 20

Provincial Development and Number of Language Groups

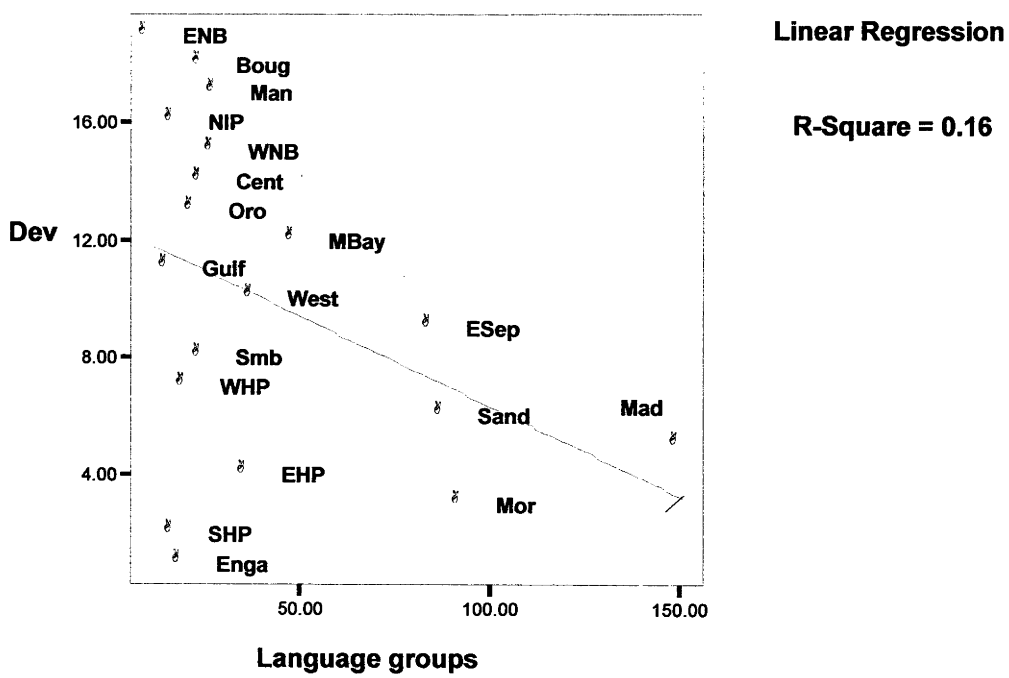


FIGURE 21

Provincial Performance and Number of Language Groups

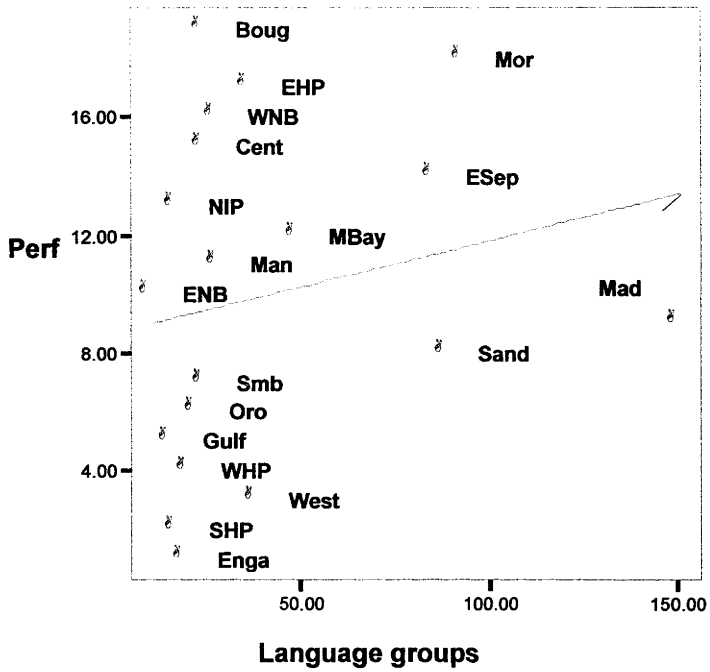


FIGURE 22

Provincial Development and Number of Language Groups (Excluding the Highlands provinces)

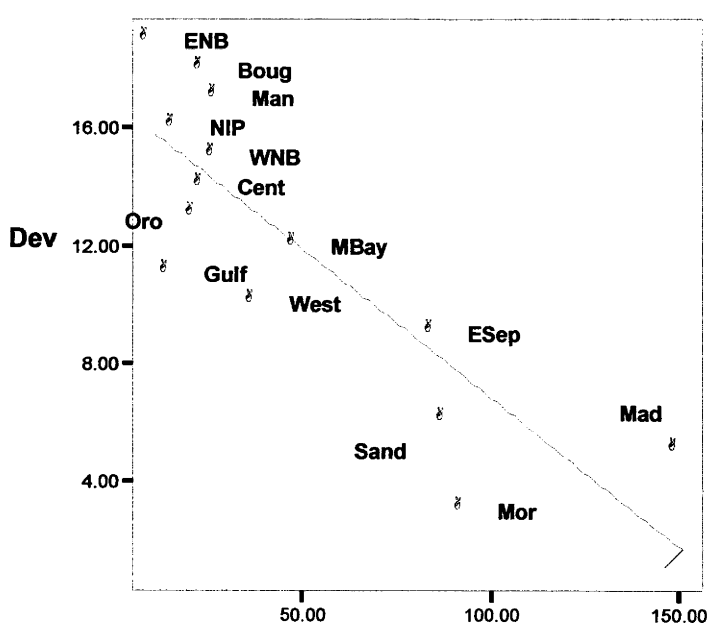
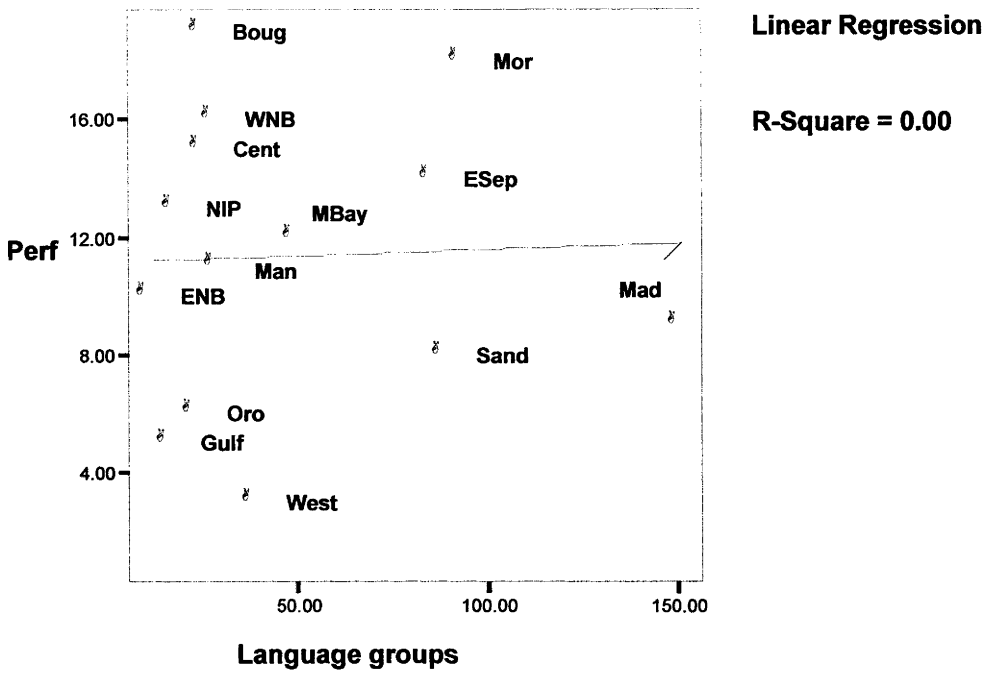


FIGURE 23

Provincial Performance and Number of Language Groups (Excluding the Highlands provinces)



In the Highlands province of Enga, for example, one of the most fractious provinces of the entire country, there is one main language but about 162 'major clans' in the province, according to the electoral register. Because of this it is fair to say that the number of language groups is not an accurate measure of ethnic fragmentation in the Highlands. However, in other non-highlands provinces, the number of languages constitutes a more meaningful aggregate measure of ethnic fragmentation. Figure 22 above shows the relationship between provincial development and the number of language groups per province but excludes the Highlands Provinces. This shows that r = -.831 which is a very significant relationship which is significant to the 0.01 level, and R squared is 69 percent. In other words, the more languages per province, the lower the level of provincial development. This suggests that there may be a link between ethno-linguistic fragmentation and provincial development. However, the model is limited to non-highlands areas, rendering its explanatory value for the whole country extremely limited. Figure 23 shows the similar relationship for the number of language groups in

non-Highlands provinces, but with provincial performance. Here the relationship is very weak, r = .037 and which indicates that ethnic fragmentation, per se, has not been a significant determinant of performance.

8.3. Index of Ethnic Fragmentation

It is probably fair to say that nowadays there is a broad consensus among scholars on how to measure ethnic fragmentation as great many authors have opted for the index of ethnic fractionalization proposed by Douglas Rae and Michael Taylor. However the problem with Rae's and Taylor's formula is that it copes poorly with incomplete data. Simply disregarding the percentage of people for which we lack data is out of the question. The usage of the formula presupposes that we have an estimate for the size of each ethnic group. There are a number of issues concerning the application of the index, and in particular the

> problem with using an index of fractionalization to summarize the effects of a country's ethnic landscape stems from the fact that such indices convey no information about the depth of the divisions that separate members of one group from another. Yet this factor certainly matters. In practice, what shapes the public policies selected by governments is often not so much the number or comparative sizes of the ethnic groups in the political system as the depth of the divisions between them.[406]

The following is a formula Rae has created for measuring the degree of ethnic fragmentation of the party system. The percentages of each ethnic group are squared, and then added. The sum is thereafter subtracted from 1, giving us an index ranging from 0 to 1. Values close to 0 indicate that the level of ethnic fragmentation is low, whereas values close to 1 indicate that the country in question is ethnically fragmented. The resulting index is shown in Table 17 below.

Figure 24 below shows the statistical relationship between provincial development and the ethnic fragmentation index. Figure 25 shows the statistical relationship between provincial performance and the ethnic fragmentation index. The Pearson Correlation for development and the index is r = -.064 which indicates a medium association, and for performance r = .347 which is stronger. This is an interesting result because it is the only relationship measured where it is reasonably strong with performance.

TABLE 17
Ethnic Fragmentation Index

Province	No of Languages	Popn	Index
Western	39	153,304	0.865
Gulf	17	106,898	0.468
Central	25	183,983	0.876
Milne Bay	50	210,412	0.545
Oro	23	133,065	0.785
Southern Highlands	15	546,265	0.682
Enga	8	295,031	0.463
Western Highlands	12	440,025	0.844
Simbu	13	259,703	0.598
Eastern Highlands	24	432,972	0.901
Morobe	95	539,404	0.844
Madang	151	365,106	0.891
East Sepik	86	343,181	0.897
Sandaun	89	185,741	0.941
Manus	29	43,387	0.814
New Ireland	18	118,350	0.767
East New Britain	12	220,133	0.621
West New Britain	28	184,508	0.630
Bougainville	25	175,160	0.792

Sources: Nekitel, O. 1998, Voices of Yesterday, Today and Tomorrow: Language, Culture and Identity, UBS Publishers, New Delhi; Grimes, B.F. (ed), 2001, *Ethnologue: languages of the world,* 14th edition, Summer Institute of Linguistics, Dallas. PNG National Statistical Office. 2001, *2000 National Census of Population and Housing – Papua New Guinea – Preliminary Figures,* NSO, Port Moresby.

FIGURE 24
Provincial Development and Fragmentation Index

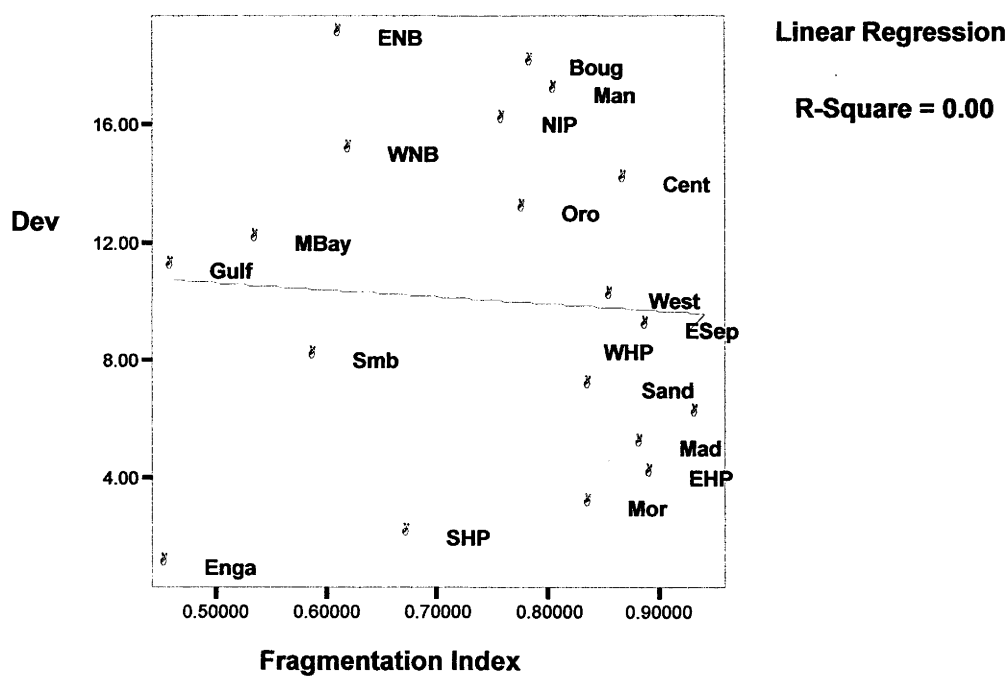


FIGURE 25

Provincial Performance and Fragmentation Index

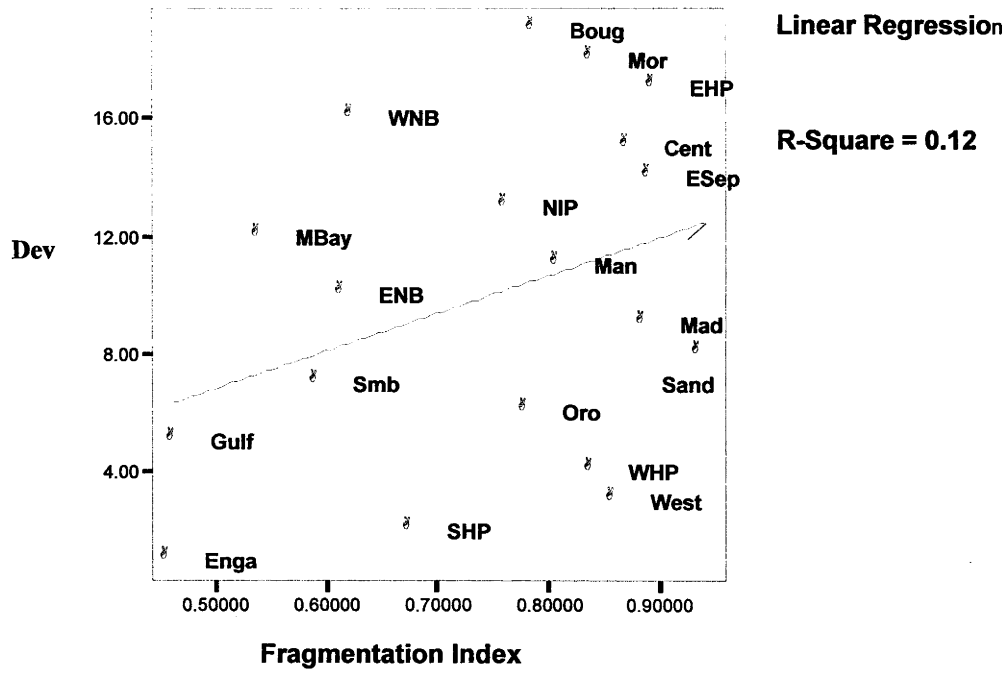


FIGURE 26

Provincial Development and Fragmentation Index (Excluding the Highlands provinces)

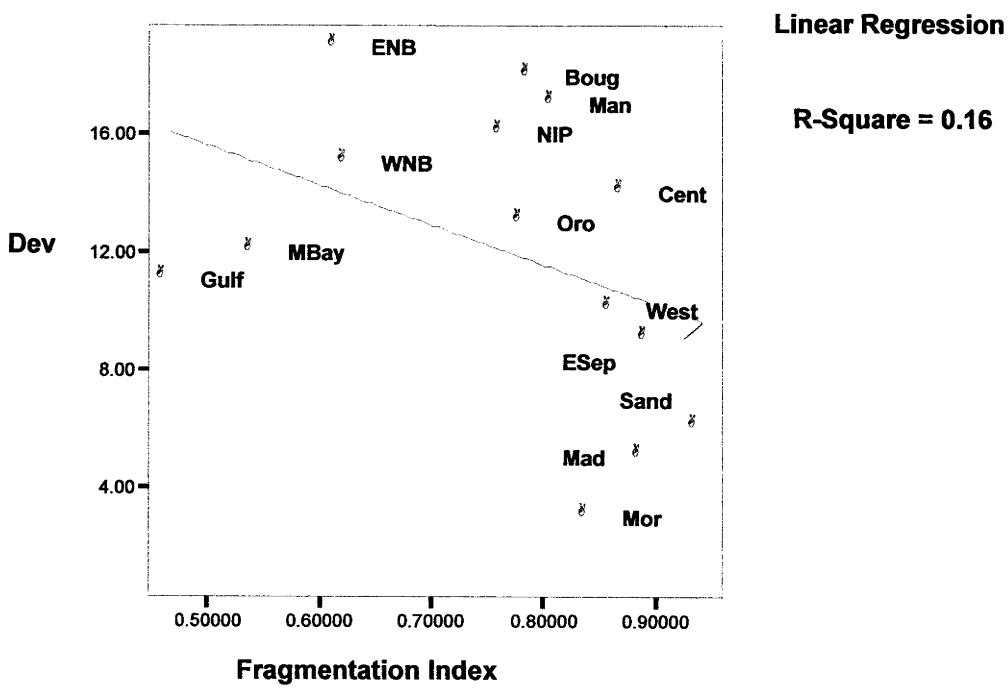


FIGURE 27

Provincial Performance and Fragmentation Index
(Excluding the Highlands provinces)

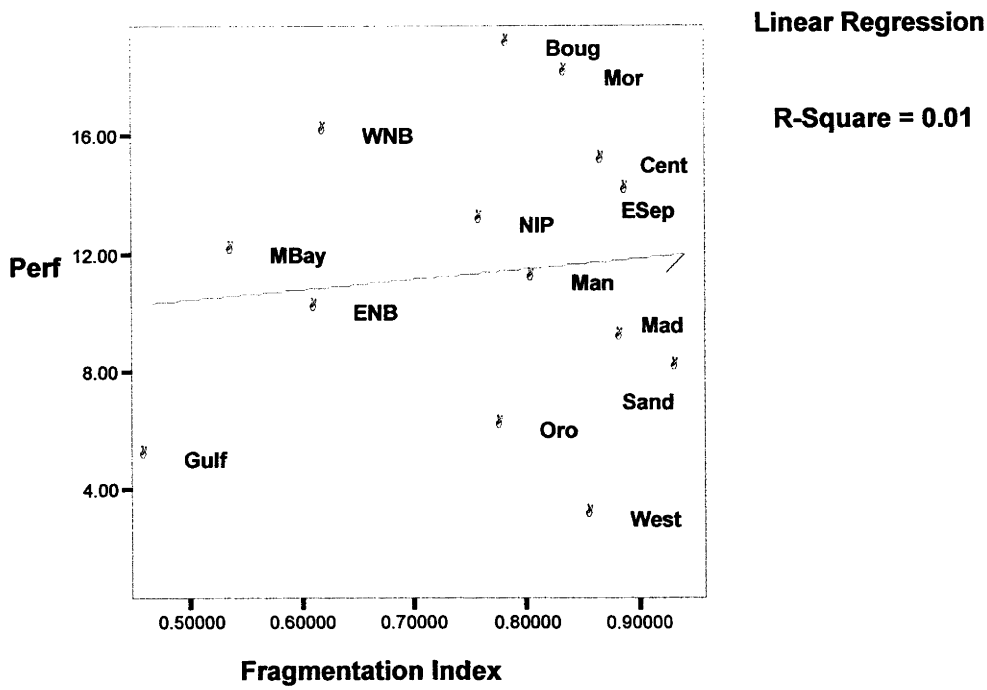


Figure 26 above shows the statistical relationship between provincial development and the ethnic fragmentation index, but excludes the Highlands provinces. Figure 27 shows the statistical relationship between provincial performance and the ethnic fragmentation index, but similarly excludes the Highlands provinces. The Pearson Correlation for development and the index is strongly negative and for performance which is only slightly positive. Both relationships are very weak.

8.4. Ethnicity and the political process.

As was explained earlier, in PNG the national parliament is elected on a first-past-the-post voting system, where the candidate with the highest number of votes is elected and there is no limit to the number of candidates. A number of studies of elections in PNG have shown how it is possible for a candidate to divide the electorate's vote along tribe or clan lines by encouraging representatives of each group to stand. Candidates therefore concentrate on mobilising the vote of their own clan group. Many analysis of elections in PNG emphasise the link between ethnicity and election candidature. According to Saffu, for example, 'the most widely observed feature of PNG elections is

the phenomenon of localized support for candidates. Localized support is demonstrated by the ability of a candidate to attract virtually 100 per cent of the votes of a locality within the wider constituency, thereby denying his numerous competitors and electoral support within that particular locality.' The PNG Electoral Commissioner has noted that

> while the element of popular participation is usually not in doubt in Papua New Guinea's national elections, the concept of effective representation via elections appears to be diminishing progressively with every election. There are essentially two inter-related reasons for this. Firstly, the ever increasing large numbers of candidates who stand means that it becomes easier and easier to win with fewer and fewer percentages of voter support and endorsement. Secondly, the ever increasing large numbers of candidates who stand as Independents and win means that it becomes more and more difficult to know what representatives stand for and how they expect to make the parliamentary system work well for the people they represent.[407]

Standish found that in Simbu society the clans of around a thousand people and tribes of up to five thousand are large enough in themselves to influence the outcome of elections. These groups have been competitive rivals and enemies for centuries. Although elections are contests between individuals in wide new arenas set up by the state, all Simbu candidates are members of clans and tribes which as corporate groups themselves bring their existing identities and oppositions into the new electoral arenas set up by the state. May has observed that

> with 28 candidates (i.e. the mean number per seat in 2002) competing for around 30,000 votes in an open seat, it is statistically possible for a candidate to win with a little over 1,000 votes. Since this figure roughly approximates the number of eligible voters a serious candidate might expect to receive from his local support base, the increasing number of candidates has produced a situation in which, in many parts of the country, candidates in national elections seek to safeguard their support base (generally a village or clan line), by preventing rival candidates from entering their territory, and attempting to enforce block voting along clan or village lines by coercion or bribery.[408]

For the 1987 elections Yaw Saffu surveyed people's attitudes to voting. He obtained interviews from 1127 electors in seventeen provinces and the National Capital District. One of the crucial questions he asked was: What is it that you will look for in the candidate you will be voting for in 1987? He found that 'personal attributes of candidates, their perceived leadership qualities and ability to bring development to the

area, both assessed personally at close quarters by electors, are the most significant explanatory variables.' To try to identify what factors determine voting choice Saffu asked two identical questions, one referring retrospectively to the 1982 election, the other prospectively to the forthcoming 1987 election. The retrospective question, asked of those who said they had voted in 1982, was: 'What was it that you liked about the candidate you voted for in 1982?' The forward-looking question about voting intentions was: 'What is it that you will look for in the candidate you will be voting for in 1987?' Saffu provided a list of nine alternative responses, and a tenth omnibus, 'other' category was offered. The categories went from primordial, kinship and linguistic considerations, through traditional socio-political factors, to aspects of secondary association solidarity, and to more personal attributes of the candidate. These observations seem consistent with the traditional view of leadership in Melanesia where

> a leader had power only insofar as people were economically and socially obligated to him personally. He had influence only as far as his voice was heard and his advice taken. A leader maintained his position only as long as competing leaders did not defeat him in large scale exchanges of valuables or through warfare or sorcery.[409]

Rabushka and Shepsle also find that 'the proliferation of ethnic groups, which defines the fragmented society, encourages a commensurate proliferation of political parties; the plethora of parties, in turn, inhibits cooperative ethnic behaviour. The resulting product is instability, or at best a most tenuous stability.'[410] Further as many people have become disillusioned with the politics of the past, they are now prepared to 'market their votes'. Especially since members of parliament only show up in the electorate once every five years, voters feel they should get what they can, while they can, from them.

Accordingly as shown by Rabushka and Sheple 'effective party politics, therefore, does not usually emerge in the fragmented setting; no party is large enough to rule and the multiplicity of culture groups frustrates any attempts to form long-run multiethnic coalitions. In settings such as these, democracy frequently gives way to forms of authoritarian rule.[411] Overall there is substantial reason to believe that ethnic fragmentation is likely to impact on the political process in PNG, because of the way in

which the electoral system has encouraged the establishment of political interest groups along ethnic lines.

8.5. Politics and Government Performance

Table 18 below shows the numbers of candidates standing in the open electorates for the past three general elections. The three figures also below compare provincial development with the number of candidates. The figures below show a very strong relationship, for the 1992, 1997, and 2002 national elections between provincial development and the number of candidates standing for election.

TABLE 18

Number of Election Candidates (Open Electorates) in Provinces

Province	1992	1997	2002	Total Popn
Western	32	71	94	153,304
Gulf	36	67	75	106,898
Central	63	91	125	183,983
Milne Bay	52	78	91	210,412
Oro	35	71	81	133,065
Southern Highlands	86	117	157	546,265
Enga	94	128	137	295,031
Western Highlands	83	124	145	440,025
Simbu	202	211	247	259,703
Eastern Highlands	193	234	252	432,972
Morobe	155	235	288	539,404
Madang	93	137	195	365,106
East Sepik	68	109	156	343,181
Sandaun	68	79	118	185,741
Manus	6	15	12	43,387
New Ireland	8	14	34	118,350
East New Britain	18	27	34	220,133
West New Britain	22	37	40	184,508
Bougainville	14	36	33	175,160

Source: Saffu, Y. (ed). 1998, *The 1992 Papua New Guinea Election: Change and Continuity in Electoral Politics*, Political and Social Change Monograph 23, The Australian National University, Canberra; PNG Electoral Commission. 1997, *Report to the Sixth Parliament on the 1997 Elections*, July 1997, Port Moresby. PNG National Statistical Office. 2001, *2000 National Census of Population and Housing – Papua New Guinea – Preliminary Figures,* NSO, Port Moresby.

Interestingly there is only a very weak relationship with provincial performance. The analysis suggests that a higher level of provincial development is associated with fewer candidates standing, but that this has no apparent impact on the performance of the respective provincial governments. However the analysis of the three most recent

national election results was strikingly similar, suggesting that a higher level of provincial development is associated with fewer candidates standing. This is also consistent with the correlation between development and social capital.

A possible explanation is that a large number of candidates indicate a high level of political fragmentation that has a negative effect on social capital and which, in turn, negatively impacts on provincial development. The overall number of candidates in each province is thus strongly (and negatively) related to provincial development. The data from the National Capital District is not included in the analysis because of the multi-ethnic nature of the district reflecting the fact that many of the residents have migrated from other provinces. However, while the aggregated data provides some indication of the relationship between election candidacy and the level of development it is necessary to undertake more intensive investigations of a small sample of provinces. However it is plausible that the political system particularly in PNG creates or reduces social capital and the flow of causation is from government to civil society.

FIGURE 28

Provincial Development and Number of Election candidates (Open Electorates) 1992.

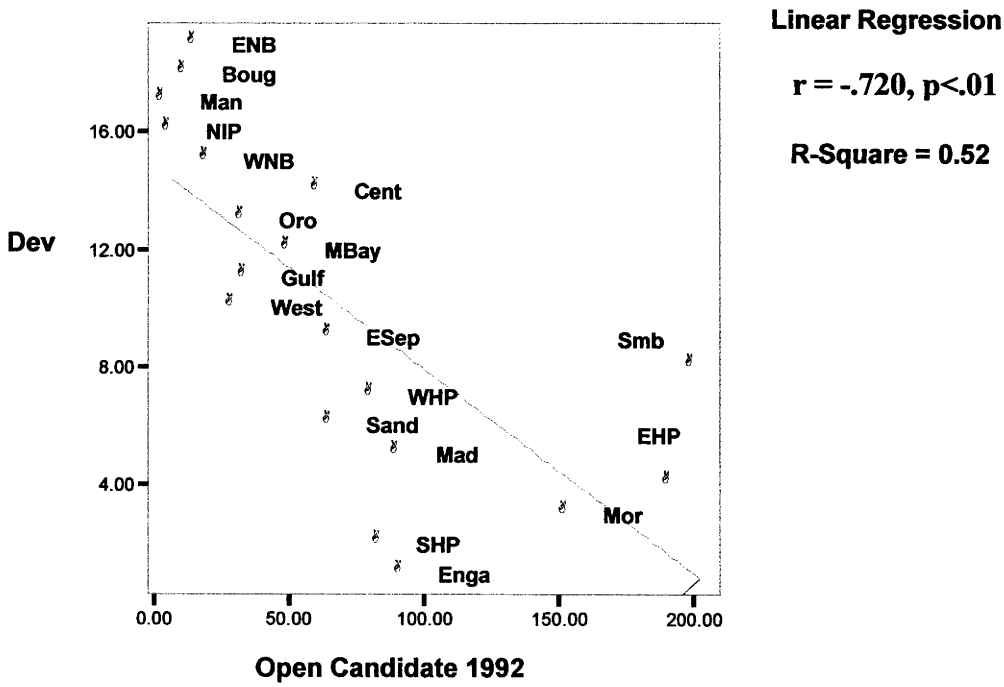
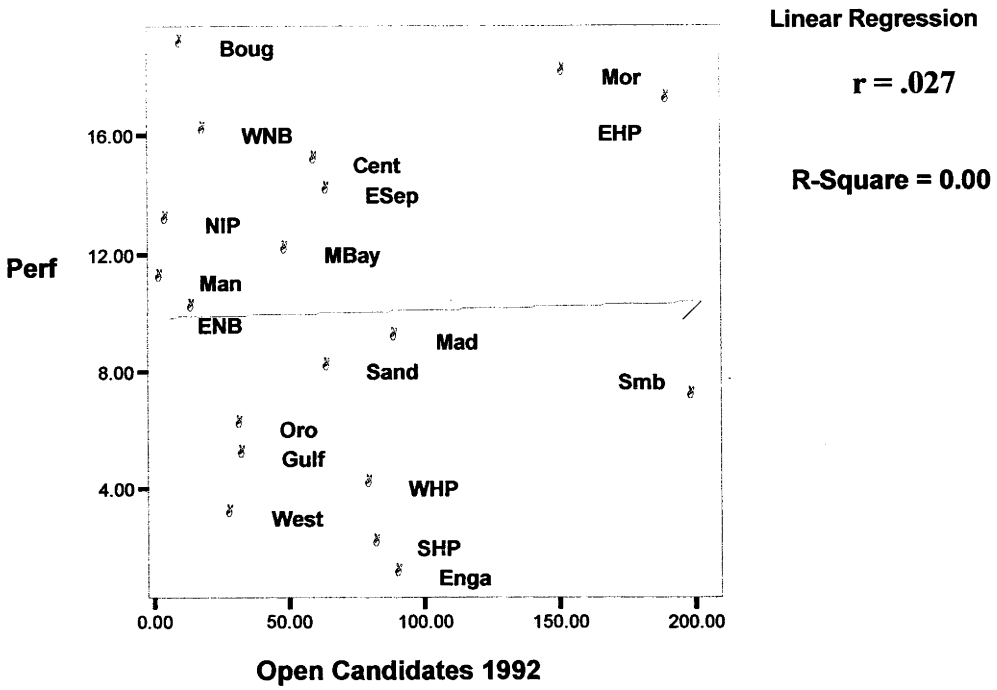


FIGURE 29

Provincial Performance and Number of Election candidates (Open Electorates) 1992.

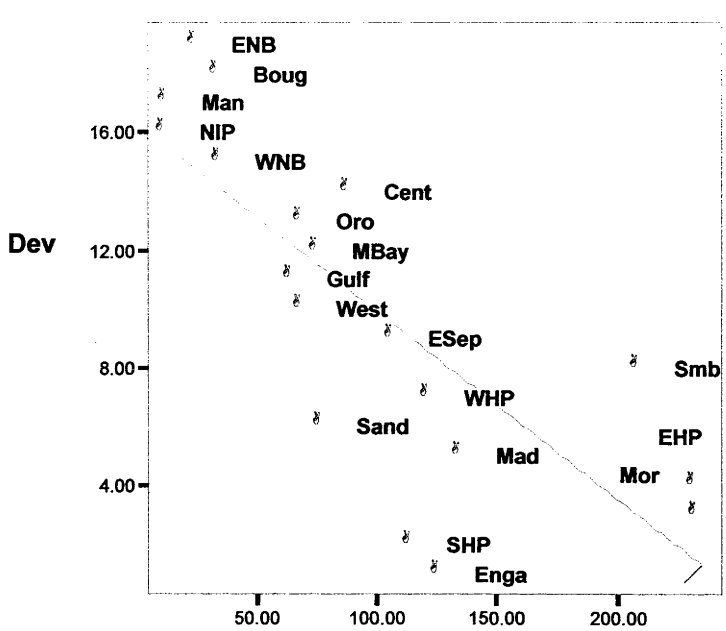


The 2002 General Elections

For the 2002 elections a total of 2,875 candidates contested the 109 seats in Parliament of which 1,247 candidates were independents, while 43 political parties officially endorsed 1,628 candidates. A list of parties may be found in Appendix E. Of the 109 seats, 89 are open seats created inside provincial boundaries of the 19 provinces and the National Capital District (NCD). The Provincial Seats in Parliament represent the provinces. Under the Organic Law on Provincial Government and Local Level Government (OLPGLLG) the provincial members of parliament have the automatic right to become Governor of their respective provinces. Also in the elections the electors also voted for their Ward Councillor of which there are 284 local level governments.

FIGURE 30

Provincial Development and Number of Election candidates (Open Electorates) 1997.



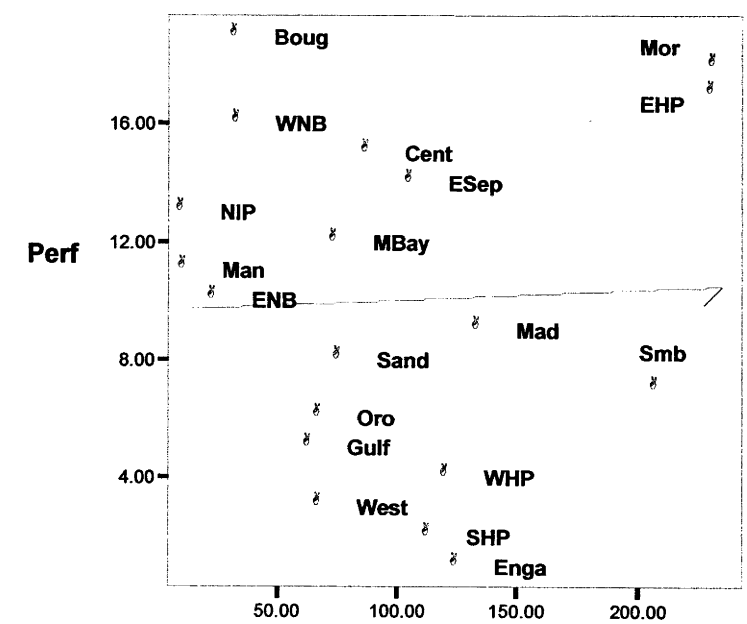
Linear Regression

r = -.774, p<.01

R-Square = 0.60

FIGURE 31

Provincial Performance and Number of Election candidates (Open Electorates) 1997.



Linear Regression

r = .042

R-Square = 0.00

FIGURE 32

Provincial Development and Number of Election candidates (Open Electorates) 2002.

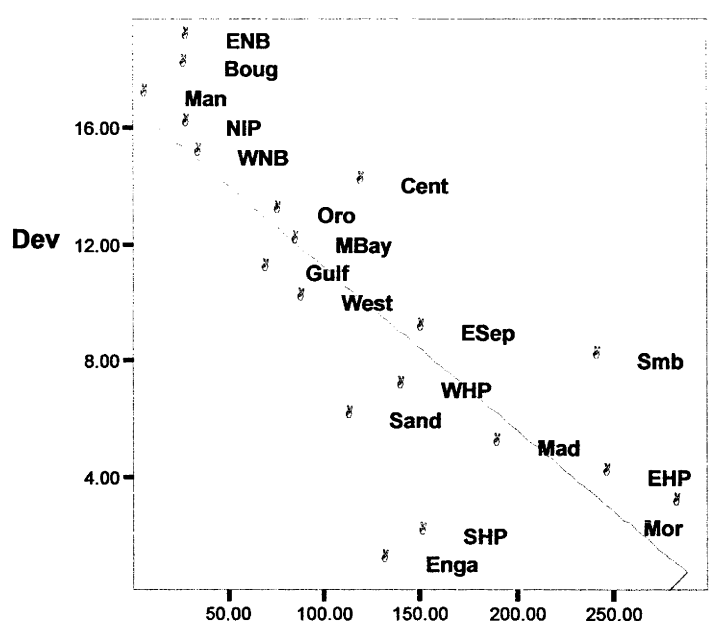


FIGURE 33

Provincial Performance and Number of Election candidates (Open Electorates) 2002.

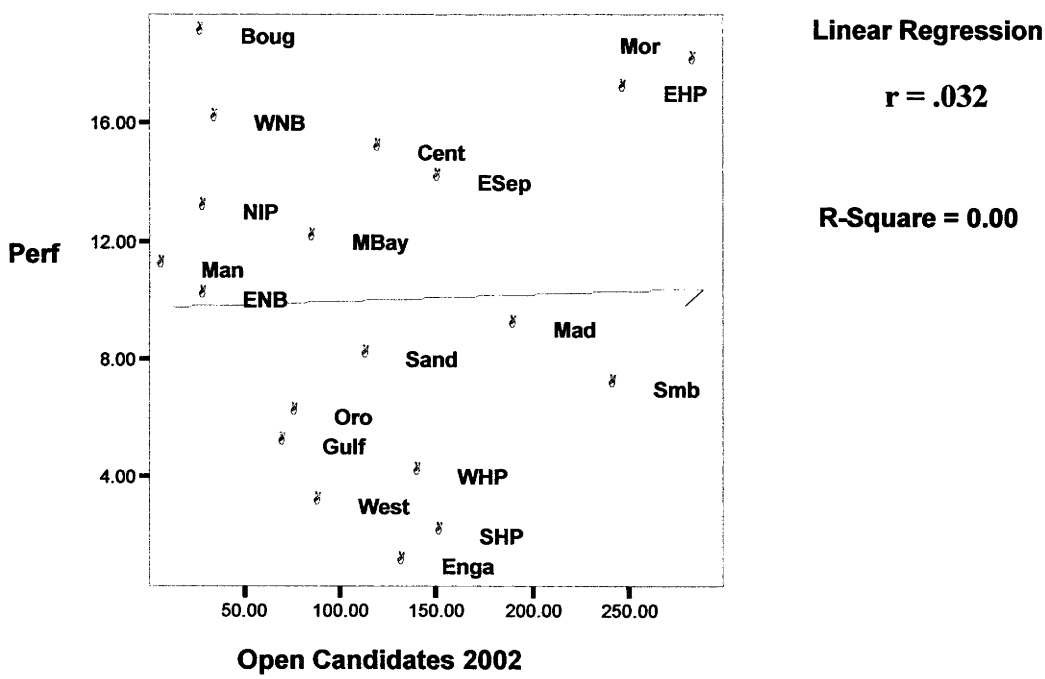


Table 19 below gives an Election Vulnerability Index using data from the 1997 elections, and which appeared in the election study for that year. For purposes of consistency with the earlier ethnic fragmentation analysis the National Capital District is not included. One popular theory to account for poor development outcomes and poor institutional performance is the high turnover rate of Members of Parliament at each election. It is frequently argued that this phenomena leads to a lack of experience among members and also to a lack of consistency on policy making. Figures 34 and 35 below show the relationship between election vulnerability and provincial development and performance. The analysis shows that there is a relationship also between the turnover of candidates and development and performance, and where it is strongest with development rather than performance. However this also lends some support to the argument that development and performance is not necessarily determined by knowledge and experience alone, and that the most significant aspect of the political process is its impact on social capital.

TABLE 19

Election Vulnerability Index

Province	Old Members	New Members	Ratio	Percentage
Western	0	4	0:4	100
Gulf	1	2	1:2	67
Central	2	3	1:1.5	60
Milne Bay	3	2	1:0.7	40
Oro	3	0	1:0	0
Southern Highlands	4	5	1:1.3	56
Western Highlands	3	5	1:1.7	63
Simbu	3	4	1:1.33	57
Eastern Highlands	2	7	1:3.5	78
Morobe	7	3	1:0.4	30
Madang	1	6	1:6	86
East Sepik	3	4	1:1.33	57
Sandaun	2	3	1:1.5	57
New Ireland	1	2	1:2	67
East New Britain	5	0	1:0	0
West New Britain	2	1	1:1.5	33
Bougainville	3	1	1:0.33	25

Source: Anere, R. "Political Parties and Elections in Papua New Guinea", in Rynkiewich, M. op cit., p.125.

FIGURE 34

Provincial Development and Election Vulnerability Index

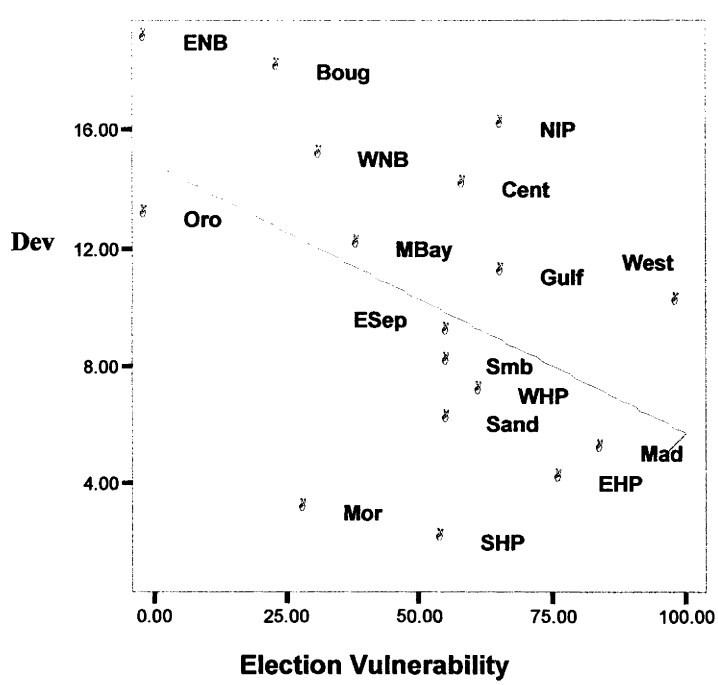
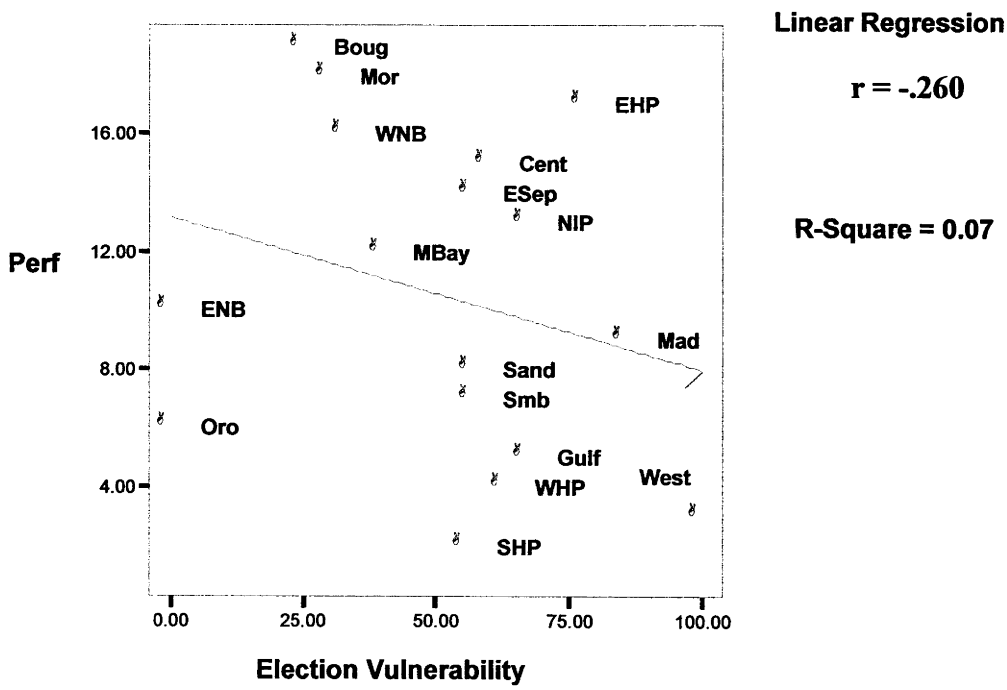


FIGURE 35

Provincial Performance and Election Vulnerability Index



8.6. Multiple Regression Analysis

Multiple regression results are often interpreted as telling us how much of the variance in the dependent variable (i.e. provincial development) that can be explained by the independent variables. This is referred to as the squared multiple correlation coefficient and the closer it is to 1.00 (or 100%), the more of the variance in the dependent variable can be accounted for. Therefore the more variance we can account for, the more accurate the prediction we can make. It also provides us with an indication of the relative contribution of each independent variable, because the regression weights (beta) are estimated. The regression weights tell us how important each independent variable is in predicting the dependent variable. The tests also allow us to determine the statistical significance of the results, both in terms of the model, and the individual independent variables. In the standard multiple regression which is used here all of the independent variables are entered into the model simultaneously. Each independent variable is evaluated in terms of its 'predictive power', over and above that offered by the other independent variables.

An issue raised by this analysis is the relative importance of social capital as opposed to the other independent variables tested in this study. There are numerous other factors that may be affecting the relationships that are the focus of this research. Some of these other possible influences are almost impossible to quantify, for example the effects on development of a long period of missionary contact. However it may be possible to at least partially capture some of these influences by choosing to use some more easily identified factors.

A model which incorporates some of the most likely other factors was tested to evaluate the extent to which, total social capital, land area, ethnic fragmentation, and domestic factor income (DFI) influence provincial development. The measure for "total social capital" combines the various indicators outlined above. Land area is the total land area for each of the provinces, and ethnic fragmentation is an estimate of ethnic diversity for each province. DFI is the real domestic factor income per capita in 1996 for each province, and includes formal, non-formal, and subsistence components. DFI is not included in the provincial development indicator. These factors were chosen because it

may be argued that the overall physical size of a province may affect development. Similarly income levels for the population would be likely to affect development, and ethnic diversity has also been identified as a possible important influence on development.

TABLE 20

Multiple Regression Model Coefficients

	Beta		Sig
Land Area	-.275		.510
Total Social Capital	-.350		257
Ethnic Fragmentation	.040		.892
Domestic Factor Income	.169		.685

Table 20 above provides the analysis of this relationship. The column labeled 'Beta' shows the contribution of each independent variable for explaining the dependent variable, and any negative signs should be ignored. Of these independent variables tested, social capital makes the largest unique contribution (beta = -.350). Land area makes the largest contribution of the other variables tested where beta = -.275. The next is DFI, followed by ethnic fragmentation. Statistically the beta weight for social capital tells us how much of a change we would make in the level of provincial development by making a one-unit change in social capital, while keeping all other variables constant. The column marked 'Sig' indicates if this particular variable is making a statistically significant unique contribution to the model. The significance is very dependent on which variables are included in the model, and how much overlap there is among the independent variables. In this model no variable is making a significant unique contribution to the prediction. Although the available data are not comprehensive, and

therefore the statistical significance is not strong, these results suggest that **social capital is a better predictor of the level of provincial development than any of the other variables tested,** and is what you would expect from the previous discussion.

TABLE 21

Multiple Regression Model Coefficients with Axline

	Beta		Sig
Land Area	-.038		.933
Total Social Capital	-.233		.458
Ethnic Fragmentation	-.158		.635
Domestic Factor Income	.029		.946
Axline	.394		.246

Table 21 above provides a similar analysis but includes Axline. Of these independent variables, provincial performance makes the largest unique contribution (beta = .394). Social capital makes the largest contribution of the other variables tested where beta = -.233. The next is ethnic fragmentation, followed by land area, and with DFI making the least contribution. The beta weight for provincial performance tells us how much of a change we would make in the level of provincial development by making a one-unit change in performance, while keeping all other variables constant. Similar to Table 20 the 'Sig' column shows that none of the variables tested make a significant unique contribution. A further major problem with this model is that it tests two separate time periods. The Axline data is from the period prior to the mid-1980s while the income data comes from the late 1990s which makes comparison problematic. As was previously discussed the literature on social capital theory would suggest that the poorly developed provinces would be characterised by strong engagement by ethnically based

groups (which would result in low levels of trust in government), and be characterised by strong 'intra-ethnic' association, and weak 'inter-ethnic' association. In the first part of this research case studies were undertaken of Gulf, Eastern Highlands and East New Britain Provinces to investigate the nature of social capital in these provinces. These provinces were selected for this investigation because they represent different examples of ethnic diversity and government effectiveness (as measured by traditional development indicators). This study then considered the evidence across all nineteen provinces for a relationship between effective government, and ethnic fragmentation.

8.7. Conclusions

In this chapter I have considered the importance of ethnic diversity as a possible explanation for the differences in the level of social capital. Like social capital, measuring the degree of ethnic diversity in PNG is no simple task. One possible means to approximate the number of ethnic groups is to use as an estimate of the number of language groups. A formula can also be used which Rae has created for measuring the degree of ethnic fragmentation of the party system. Although there is a reasonably strong correlation between the number of language groups in the non-highlands provinces and provincial development the analysis shows that there is **no significant direct relationship between ethnicity and provincial development or performance.**

As discussed above a number of studies of elections in PNG have shown how it is possible for a candidate to divide the electorate's vote along tribe or clan lines by encouraging representatives of each group to stand. Candidates therefore concentrate on mobilising the vote of their own clan group. Many analysis of elections in PNG emphasise the link between ethnicity and election candidature. A possible explanation is that a large number of candidates indicate a high level of political fragmentation that has a negative effect on social capital and which, in turn, negatively impacts on provincial development. The overall number of candidates in each province is thus strongly (and negatively) related to provincial development. However, while the aggregated data provides some indication of the relationship between election candidacy and the level of development it is necessary to undertake more intensive investigations of a small sample of provinces. The election data suggests a link between ethnicity and

social capital, and supports the qualitative research. However it is plausible that the political system particularly in PNG creates or reduces social capital and the flow of causation is from government to civil society.

An issue raised by this analysis is the relative importance of social capital as opposed to other independent variables or possible influences. A model was tested to evaluate the extent to which, total social capital, land area, ethnic fragmentation, and domestic factor income (DFI) influence provincial development. The measure for total social capital combines the various indicators outlined above. Land area is the total land area for each of the provinces, and ethnic fragmentation is an estimate of ethnic diversity for each province. DFI is the real domestic factor income per capita in 1996 for each province, and includes formal, non-formal, and subsistence components. Furthermore DFI are not included in the provincial development indicator. Although the available data are not comprehensive, and therefore the statistical significance is not strong, these results show that social capital is a better predictor of the level of provincial development than any of the other variables tested, while improving provincial performance would have a positive impact on the development indicators.

Notes

[398] Posner, D.N., 2000, "Ethnic Fractionalization in Africa: How should it be measured? What Does it Explain about Economic Growth?" Paper presented to the World Bank Development Research Group Seminar, 29 March.
[399] Ibid., p.32.
[400] Ghai, Yash, op cit., p.4.
[401] Easterly, W., and Levine, R., op cit, p.1250.
[402] La Porta, R., Florencio, L., Shleifer, A., and Vishny, R., 1999, "The Quality of Government," *Journal of Law, Economics and Organisation,* 15(1): 222-279.
[403] Dinnen, S., 2003, "Building Bridges – Law and Justice Reform in Papua New Guinea", in Jowitt, A., and Newton Cain, T., (eds), op cit,. p.279.
[404] Grimes, B.F., (ed), 2001, *Ethnologue: languages of the world,* 14th edition, Summer Institute of Linguistics, Dallas.
[405] May, R.J., 2003, "Harmonising Linguistic Diversity in Papua New Guinea", in Brown, M.E., and Ganguly, S., (eds), *Fighting Words: Language Policy and Ethnic Relations in Asia,* MIT Press, Cambridge MA.
[406] Posner, D.N., op cit.
[407] PNG Electoral Commission, 1997, *Report to the Sixth Parliament on the 1997 National Election,* Port Moresby, p.11.
[408] May, R.J., 2003, op cit., p.7.
[409] Rynkiewich, M., and Serb, R., (eds), 2000, *Politics in Papua New Guinea: Continuities, Changes and Challenges,* Melanesian Institute, Goroka, p.5.
[410] Rabushka, A., and Shepsle, K., 1972, *Politics in Plural Societies: A Theory of Democratic Instability,* Merrill, Columbus, p.187.
[411] Ibid., p.178.

CHAPTER 9

DISCUSSION AND CONCLUSIONS

'To many observers, the crisis in political participation at the local level could be resolved by establishing community governments smaller in scale and closer to the people.'[412]

9.1. Introduction

This research focused on the performance of provinces in PNG to investigate the importance, if any, of civil society and social capital. There is now significant qualitative evidence, from a number of studies, to indicate that features, such as the level of trust and norms of co-operation, crucially impinge on social well being and on the effectiveness of government institutions. As discussed in Chapter 4, Robert Putnam in *Making Democracy Work: Civic Traditions in Modern Italy* stresses the importance of civil society and social capital in developing effective government institutions.[413] Putnam's study was the first of its kind to analyse government performance and the role of social capital. Putnam concludes that the regions in Italy enjoying effective government in the 1990s have inherited a legacy of 'civic engagement' that can be traced back to the early Middle Ages. Putnam views social capital as a set of 'horizontal associations' among people who have an effect on the productivity of the community. These associations include 'networks of civic engagement' and social norms. Two assumptions underlie this concept. The first is that networks and norms are empirically associated; and second, that they have important economic consequences. In his definition, the key feature of social capital is that it facilitates coordination and cooperation for the mutual benefit of the members of the association.[414]

According to Putnam an effective government-citizen relationship is the outcome of successful solutions to dilemmas of collective action. Norms of reciprocity and networks of civic engagement favour this outcome, because they raise the costs of defection, facilitate information among people, reduce uncertainty and provide models for future cooperation. As civil society increasingly received attention for its governance role there was more recognition of the role of social capital in facilitating and enhancing civil society. Particularly Putnam's work linked the concepts of civil society and social capital.

It was earlier explained how applying the concept of social capital to the regional and

national level raises new issues. In particular it raises the question of whether social capital necessarily has to result in outcomes that are mutually beneficial to all in the region or the nation – that is; must social capital result in common-good outcomes? A broader understanding of social capital accounts for both the positive and negative aspects by including vertical as well as horizontal associations between people, and includes behaviour within and among organisations, such as firms. This view recognizes that horizontal ties are needed to give communities a sense of identity and common purpose, but also stresses that without 'bridging' ties that transcend various social divides (e.g. religion, ethnicity, and socio-economic status); horizontal ties can become a basis for the pursuit of narrow interests. Bonding social capital can actively preclude access to information and material resources that would otherwise be of great assistance to the community.

Recent literature distinguishes between bonding, and bridging.[415] Bonding social capital refers to relations among relatively homogenous groups (such as an ethnic, religious or socioeconomic group), and it strengthens the social ties within the particular group. Bridging social capital refers to relations between heterogenous groups, and it strengthens ties across such groups. Examples of bridging social capital include the civil rights movement and ecumenical religious organisations. Studies highlight the importance of bridging social capital in societies characterised by considerable ethnic diversity. Trust limited within an ethnic group may promote norms of social interaction that are inward looking and less oriented to trust and co-operation at a broader community level.[416] A particularly strong focus on group interests can encourage 'rent seeking' behaviour by the group to the disadvantage of the wider community.

In this study of PNG social capital has been defined in terms of relationships that are based in structures of voluntary association, norms of reciprocity and co-operation, and attitudes of social trust and respect. The critical question is the degree to which the concept and theory of social capital is relevant, and if so, can be made operational for the purposes of analysis and policy in PNG. As shown earlier, institutional strengthening has traditionally focused on internal aspects of organisations. These activities are especially concerned with efficiency and effectiveness, but the idea of governance is a broad concept that encompasses more than the formal legal aspects of a political system.

In particular it was also discussed how it is often assumed that less developed societies are much less likely to be characterised by a strong civil society given the importance of 'personalistic patronage style relationships'.[417] PNG has both inherited and adopted modern western government institutions to fit what is essentially, a communal social and economic structure characterised by a decentralised political structure. Traditional Melanesian society was based on consensus, gift giving, exchange and obligations. The notion of 'reciprocity' was central, and involves in various forms a complicated, shifting network of reciprocal obligations that continues over time. Such a network can operate on an intra-village or inter-village basis, and involve reciprocal obligations between individuals or groups.[418] In general the concept of social capital, and the way it is applied by Putnam is strongly associated with the notions of essentially "Western" government institutions. However is this really applicable in the PNG context?

9.2. Provincial Development and Social Capital

Chapters 5 and 6 investigated civil society and social capital in PNG from both a qualitative and quantitative aspect. Both the qualitative and quantitative research confirms that there is a relationship between provincial development and social capital. Furthermore, as explained earlier in Chapter 6, the measures used for these two variables are not the same.

This study found that the role of civil society organisations in Gulf Province, and their interaction with the administration, has been generally very limited. Significant population areas in Gulf receive little or no government services. Largely as a result, churches of various denominations have provided beyond their pastoral responsibilities such as essential services as infrastructure development and maintenance, social services such as health, education and information programs. However beyond the churches there has been minimal involvement of civil society organisations in provincial affairs. Gulf Province is characterised by weak social capital.

In contrast there are a number of large NGOs operating within and from the Eastern Highlands Province. Although Eastern Highlands Province is heavily populated the people are a less cohesive group than the people in most other parts of the Highlands region because language divisions and the geographical terrain separating language groups appear

to impact upon social capital. Recently the Eastern Highlands Province Advisory Committee (EHPAC) was formed by members from all sectors of society, and is chaired by the Governor of Eastern Highlands. The task of the EHPAC is to promote, oversee and coordinate implementation of recommendations put forward through various sectoral working committees, and to promote innovative, collaborative policy approaches to tackle the province's problems. Social capital in the Eastern Highlands has been in decline for at least the past fifteen years, and it will be interesting to see if the EHPAC can reverse this trend.

Civil society organisations in East New Britain Province are dominated by church related organisations such as men and women's fellowship groups, community groups and a few NGOs which are predominantly local. ENB has in the past characterised by relatively strong social capital however this is now coming under significant pressure. In response the Alliance of Community Development Agencies (East New Britain) or the ACDA is an organisation that brings together NGOs, CBOs, church groups, government agencies and other development organisations to work together towards sustaining community development in the Province. There is a need for governments and civil society to develop processes and suitable structures (e.g. the EHPAC and ACDA) to better manage their relationships. Public policy should focus on strengthening the 'links' between government institutions and civil society at all levels. Formal development planning, at both the National and Provincial level, should incorporate the potential role for the participation of civil society organisations in project design and implementation.

The overall evidence from the qualitative research is that an explanation for the failure of effective government in Gulf and Eastern Highlands may be found in social capital theory. In ENB civil society organisations are largely locally based and have a generally cooperative relationship with the Provincial Administration. In the case of Eastern Highlands however the broad consensus which characterised the 1980 period could not survive the pressures imposed by so many ethnic groups.

The qualitative research shows that in communities with effective government and high levels of 'bridging' social capital, development seems to have been more likely. Alternatively when a society's social capital is in primarily social groups disconnected from

one another (i.e. ethnic groups), it is more likely that powerful groups will dominate government, to the exclusion of other groups, and development will be slower. In ENB a broad consensus across ethnic groups and cooperation between government and civil society favours effective government whereas in Gulf and Eastern Highlands the multiplicity of ethnic groups and a lack of cooperation between government and civil society appear to frustrate attempts to maintain a consensus necessary for effective government. In particular in the case of East New Britain many of the reasons given for its comparatively good economic and political performance i.e. colonial initiatives in promoting plantation and cash crop development, the geographical position of Rabaul, the solidarity of the Tolais and the value placed on education over an extended period, have contributed to building social capital in that province.

The purpose of Chapter 6 was to replicate Putnam's methodology in the PNG context, and to test its relevance. It was found that relevant data to measure provincial development, provincial government performance and social capital in the provinces is very limited. Empirical studies of social capital sometimes try to measure social capital by the density of networks, or by measures of trust. The measures of social capital in this study have been predominantly concerned with the density of social networks. These associations include rugby football clubs, and women's, youth and sports associations. **The analysis of the available data shows that there is a correlation between provincial development and the available indicators for social capital across the nineteen provinces.** However the analysis also shows that there is no clear correlation between the performance of the provincial governments, and the indicators of social capital across provinces which would be expected from the qualitative research. This important point is discussed below.

In Chapter 7 I then considered the importance of ethnic diversity as a possible explanation for the differences in the level of social capital. Like social capital, measuring the degree of ethnic diversity in PNG is no simple task. One possible means to approximate the number of ethnic groups is to use as an estimate of the number of language groups. It was also shown that a formula can also be used which Rae has created for measuring the degree of ethnic fragmentation of the party system. Although there is a reasonably strong correlation between the number of language groups in the non-highlands provinces and provincial

development the analysis shows that there is **no significant direct relationship between ethnicity and provincial development**.

It was further explained that in PNG the national parliament is elected on a first-past-the-post voting system, where the candidate with the highest number of votes is elected. There is also no limit to the number of candidates. A number of studies of elections in PNG have shown how it is possible for a candidate to divide the electorate's vote along tribe or clan lines by encouraging representatives of each group to stand. Candidates therefore concentrate on mobilising the vote of their own clan group. Many analysis of elections in PNG emphasise the link between ethnicity and election candidature. A possible explanation is that a large number of candidates indicate a high level of political fragmentation that has a negative effect on social capital and which, in turn, negatively impacts on provincial development. The data shows that **the overall number of candidates in each province is strongly (and negatively) related to provincial development**. Therefore the ethnic diversity of the province is highly likely to have a long term impact on development while likely having little direct impact on the performance of the provincial government.

Finally the issue raised by the analysis is the relative importance of social capital as opposed to other independent variables or possible influences. A model was therefore tested to evaluate the extent to which, total social capital, land area, ethnic fragmentation, and domestic factor income (DFI) may influence provincial development. These variables were chosen because they are independent of each other, and that they also may feasibly account for different levels of development between provinces. Although the available data are not comprehensive, and therefore the statistical significance is not strong, these results show that social capital is a better predictor of the level of provincial development than any of the other variables tested.

9.3. Provincial Government Performance and Social Capital

Interestingly the quantitative research found no correlation between provincial government performance and social capital whereas the empirical evidence seems to indicate otherwise. In PNG a system of provincial governments was established following

independence primarily in order to account for the diversity in the country and to give a voice to the 'grassroots'. By establishing the system of provincial and local government the central authorities sought to take into account local and ethnic factors.

However it was explained previously that in reality the introduction of a decentralised system of provincial government in the late 1970s led to a gradual decline in the quality and coverage of these services, despite the rapid expansion in the size of the state. The rationale behind the provincial government system was to improve delivery of services at the local level. But, while the number of schools and aid posts increased, there is little doubt that the quality of services declined. This was due in part to a shift of resources away from local government, and from sub-district mission and state services, to the provincial centres, government headquarters and also to the discretionary budgets of politicians. Only in provinces where local government was already well developed was there a reasonably effective integration of provincial and local government. Apparently the important preconditions for effective decentralisation, which were discussed in Chapter 3, were not fulfilled. It also supports the argument made by May and Regan that where 'the sharing of political power and resources is resisted by national politicians and officials, decentralisation is unlikely to prosper.'[419]

Provincial government in PNG has been almost continually the subject of major reform. As explained earlier very significant changes occurred following the new organic law on Provincial Government which was passed by the National Parliament in 1995. The focus of the reform has been the organisational design of the governments and their economic and financial resources. There has been wide debate about whether administrative incapacity or financial incapacity has been the major constraint to their performance. The original Axline research only covers the period prior to these reforms and therefore makes analysis over the longer period problematic. However, thus far the reforms do not appear to have improved provincial government performance. A likely reason is that provincial government was only established at independence and has generally not taken root in much of the country. Put even more simply people generally do not trust provincial governments.

9.4. Ethnicity and Social Capital

It was shown in Chapter 2 that the idea of the nation state is an introduced concept in Melanesian societies. It is widely recognised that ethnic groups and ethnic minorities exist by virtue of long standing association across generations, complex relations of kinship, common culture and usually religious uniformity and common territorial attachments. For the most part Papua New Guineans define their ethnicity in terms of kinship, language and sometimes their region. The population of PNG speaks more than eight hundred languages and live in small-scale, decentralised communities. Members of PNG society were bound for the most part by kinship connections, a common language and communal landholdings.

It can be seen that the importance of ethnicity may vary over time as a result of a number of political, social and economic factors, but a particularly important factor is the nature of the government institutions. In particular many studies show that 'identities may also be forced upon the people by the state. The colonial experience provides many examples of administrative boundaries or categorised people.'[420] Chapter 4 explained that a number of recent studies have addressed the issue of ethnic diversity, and social capital. They show that the distinction between 'bonding' and 'bridging' social capital is important. If bonding social capital is predominant then it makes it much more difficult for society to solve common problems in mutually beneficial ways. However it was also shown that there are a wide range of views as to how important ethnicity is in terms of government performance and development.

The quantitative analysis in Chapter 7 found that there is no significant direct relationship between ethnicity and provincial development or performance. Ethnic fragmentation does not directly account for development or provincial performance. However the qualitative research shows that ethnic and clan identities do impact on the type of social capital (i.e. bonding or bridging), and has a strong impact on the political process. The political process is also largely divorced from the lives of the vast majority of the rural population. Similarly with provincial government the vast majority have no trust in these institutions. **However the qualitative research and the electoral data do suggest that ethnic divisions impact on social capital in PNG.**

9.5. Implications for the theory

This research shows that applying the concepts of civil society and social capital in PNG is clearly problematic. In particular this study highlights the view that applying the concept of social capital to a regional or national level raises the question of whether social capital necessarily has to result in mutually beneficial outcomes.

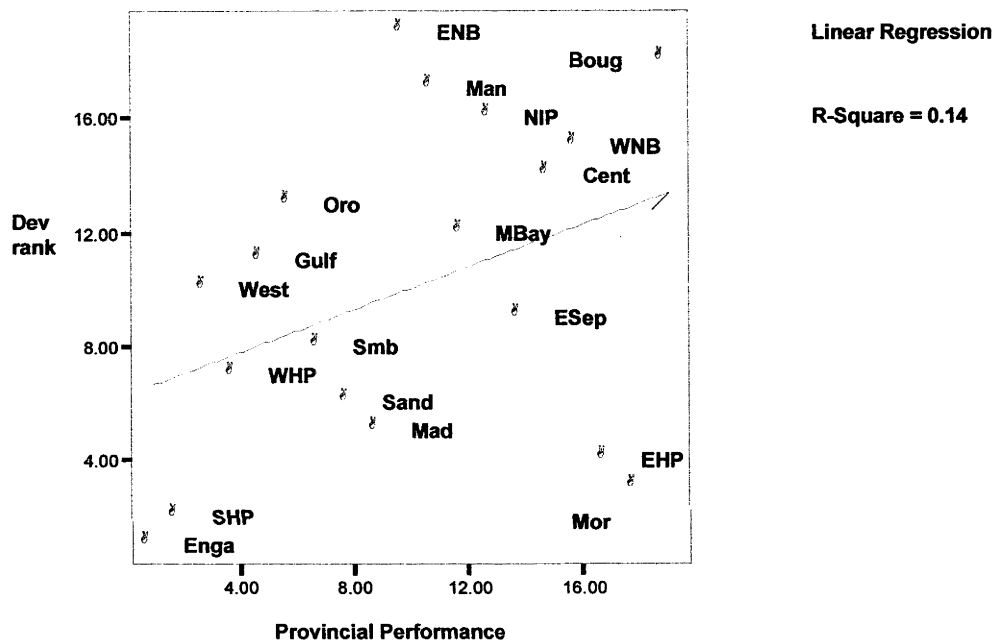
As discussed earlier, generally speaking the term 'social capital' is used to refer to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions. It was earlier explained that Coleman introduced the concept of social capital into his research in order to provide a 'socialised' view of human action. In other words he seeks to answer the question, how is social order possible if each individual is maximising their self-interest? Putnam uses the concept of social capital at a different scale to Coleman; however his definition of the concept is drawn directly from Coleman. Like Coleman he views social capital as facilitating action within social structures.

Debates have focussed on the degree to which social capital stems from individual and institutional behaviour or from the inherent properties of social networks. The broadest and most encompassing view of social capital includes the social and political environment that shapes social structure and enables norms to develop. This view not only accounts for the virtues and vices of social capital, and the importance of forging ties within and across communities, but recognizes that the capacity of various social groups to act in their interest depends crucially on the support (or lack thereof) that they receive from government. Similarly, government institutions depend on social stability and widespread popular support, because relationships of trust and networks also involve public institutions. In the case of a developing country such as PNG with recently inherited government institutions, significant ethnic divisions and a very long history of traditional forms of governance, this theory of social capital, as it is strongly related to the essentially western notions of government institutions, is not directly applicable. This conclusion is supported by the data discussed in Chapter 6 where provincial development and performance were compared.

FIGURE 36

Provincial Development and Performance

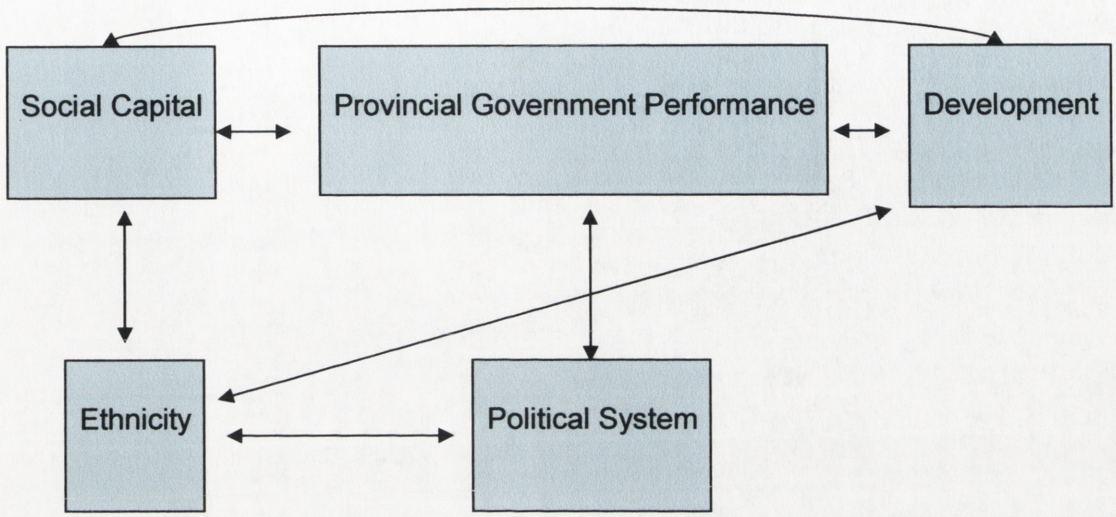
r = .375



As discussed in Chapter 6 Axline's results are interesting when they are compared with the development rankings produced by de Albuquerque and D'Sa, who found the most developed provinces were the outer island regions of New Ireland, New Britain, Bougainville and Manus, while the least developed regions were the Highlands provinces of Enga and the Southern and Eastern Highlands. It was shown that overall while there is some commonality between the two indicators (the Islands Region score high and some parts of the Highlands score low on both measures, for example), the similarities are outweighed by the differences – strongly suggesting that government effectiveness alone does not account for differences in provincial development.

FIGURE 37

Social Capital and Development



Returning also to my simple model in Chapter 1, Figure 37 above shows the possible relationships and causal flows. To summarise, the study supports the hypothesis that there is a direct relationship between social capital and provincial development, and that the provincial government institutions have not generally been significant. This study also supports the contention that ethnic diversity does not directly determine provincial development but that it does impact on social capital. Particularly it seems from the qualitative research that social capital in PNG is characterised by close social bonding, primarily along ethnic lines, but with very weak levels of co-operation and trust across these divides. Also traditional leadership seems to be still strong and to often override government authority. As a result the role of civil society, in terms of governance, is much less effective because of the influence of ethnic associations. **The distinction between 'bonding' and 'bridging' social capital is therefore critical to the analysis. Trust limited within an ethnic group may promote inward looking norms of social interaction and 'rent-seeking' behaviour by ethnic groups.** As explained earlier a number of studies have argued that in communities with good governance and high levels of bridging social capital, there is complementarity between state and society, and economic prosperity and social order are likely. Alternatively when a society's social

capital inheres mainly in primary social groups disconnected from one another, the more powerful groups dominate the state, to the exclusion of other groups. The nature of the political system, including the electoral process compounds the influence of ethnic diversity on social capital. There are probably also some more indirect impacts on the performance of provincial governments because of the important positions (e.g. Governor) held by the national Members of Parliament.

However the direction of the causal flows are much more difficult to identify, and the statistical methodology used in this study provides few clues. Durlauf and Fafchamps in their analysis of the social capital research raise serious questions about the causal interpretation of regressions often used in social capital studies and 'are unaware of any social capital study using aggregate data that addresses causality versus correlation for social capital and growth in a persuasive way.'[421] It would still seem logical that while social capital determines development performance, there is likely to be some relationship in reverse e.g. a province with good educational infrastructure is more likely to enhance social capital in that province. Similarly the political process not only exacerbates ethnic divisions but is in turn a product of those divisions.

Finally it seems clear from the research that the Putnam conclusions are not necessarily applicable to a country which is characterised by huge ethnic diversity, still relatively strong traditional governing institutions and weak "modern" western government institutions.

9.6. Implications for policy and practice

Over the last twenty-five years the primary focus for provincial government reform in PNG has been on the structure of the institutions and the improvement in the transfer of economic and financial resources. However this focus seems to have generally failed to provide any significant improvement in performance.

In PNG it was argued at independence that decentralisation would lead to democratic participation in decision making by devolving power down to the provinces. In reality broad community participation in political institutions has been lacking. But, as any close

inspection of the literature shows there are in fact, as many plausible reasons for thinking that democratic decentralisation will have negative outcomes as there are for accepting that it will provide the benefits listed above.[422] Gulf Province is characterised by the politics of power relations between the main ethnic groups. The practice of provincial politics has been about 'capturing' the resources to bring about 'development'. ENB and Eastern Highlands provides examples where ethnic diversity has been managed effectively and this has undoubtedly contributed to better government performance and development. As Putnam also found:

> *changing formal institutions can change political practice.* The reform had measurable and mostly beneficial consequences for regional political life. As institutionalists would predict, institutional changes were (gradually) reflected in changing identities, changing values, changing power, and changing strategies... The regional reform allowed social learning, "learning by doing". Formal change induced informal change and became self-sustaining.[423]

Government authority should be decentralized as far as possible to bring decisions to smaller, local jurisdictions, while recognizing and offsetting the potential negative effect of that decentralization on equality and redistribution. In all the domains of social-capital creation that I have discussed here all too briefly, social capitalists need to avoid false debates. One such debate is "top-down versus bottom-up". The roles of national and local institutions in restoring community need to be complementary; neither alone can solve the problem.[424]

The key to a new policy framework is that policy needs to recognise that in Melanesia the social, economic, political and cultural contexts in which institutional strengthening has been undertaken differ significantly. The concept of governance puts a great deal of emphasis on institution capacity building, however institutional reform cannot solve all the problems that we have identified with the performance of provincial governments in PNG. Particularly important in the PNG context is the role of the churches. Sport is also an obsession in PNG and membership of sports team can significantly strengthen social capital. By strengthening the role of social capital in these reforms some of the adverse features may be dealt with more effectively.

9.7. Conclusions and Further Research

In the introduction to this study it was explained how it is frequently argued that the inappropriate nature of the institutional structures provided to the Melanesian countries at independence that have been a major contributor to their poor economic performance. Whether there is a relationship between the form of government on the one hand, and political and economic performance on the other, is one of the classic questions of comparative politics. In these countries the relationships between their economic development strategies and institutional processes are particularly poorly understood. What is clear from this study is that at least in PNG institutions need to be reformed in ways that invite more active community participation. 'Good Governance' is generally regarded to be about the legitimacy and accountability of rulers, and the capacity of the public sector to promote growth and equity. The global wave of democratisation over the past decade has raised expectations of participation, social equity, respect for human rights, and better economic management. As the development agenda switches from 'getting prices right' to 'getting institutions right,' understanding what governments efficient, effective, and responsive to citizens' needs is becoming crucial to the success of a range of development policy initiatives.[425] A better understanding of what makes government work well is a focus for policy-makers.

My qualitative research on provinces in PNG suggests that if government institutions are to perform well then it is necessary for there to be strong links with civil society. However, a healthy civil society involves more than community participation and engagement and the presence of many active groups and organisations. It also requires institutions and processes through which claims can be negotiated and mediated and which organise and structure social interactions. Government authority should be decentralized as far as possible to bring decisions to smaller, local jurisdictions, while recognizing and offsetting the potential negative effect of that decentralisation on equality and redistribution. Strengthening civil society may involve more than strengthening the ability of groups and organisations to represent and address community needs and interests.[426] As Putnam himself explains that 'to build bridging social capital requires that we transcend our social and political and professional identities to connect with people unlike ourselves.'[427] However Putnam cautions that 'the final lesson from this research is that *most institutional*

history moves slowly. Where institution building (and not mere constitution writing) is concerned, time is measured in decades.'[428] The results of the quantitative research are much less clear and poor data, and lack of evidence of causality make it difficult to derive any substantial conclusions.

Development in PNG since independence has been traditionally dominated by the National and Provincial governments. However, an examination of the available evidence suggests that the nature of civil society and social capital in PNG has had a profound impact on development performance. It is found that development policies, and strategies, in PNG need to take into account the specific characteristics of civil society and social capital. In particular, community development is primarily about building relationships and social capital is fundamental to building relationships based on trust, and cooperation. Community development needs to use the civil society organisations that are predominant in the PNG context to build "bridging" social capital.

The overall conclusion from this study is that in PNG it seems that the different levels of performance of the provincial governments cannot be explained by their organisational and legal structures or only by their respective level of economic and financial resources which are the primary focus of Axline's research. The evidence shows that provincial government effectiveness alone does not account for differences in provincial development. Rather the examination of the available evidence shows that the nature of social capital in PNG (i.e. 'bonding' social capital) has had a much more profound impact on development performance in the provinces over the longer term. This suggests that the 'reform of laws and institutions can go only so far in contributing to improvement in governance... patterns of values, culture and behaviour play a large role in governance, which ultimately depends on the legitimacy of political institutions in the broader society.'[429] It has been argued, for instance, that decentralisation to democratised local authorities gives rise to improvements in political stability through the legitimation of differences in local needs and perspectives. The evidence here suggests, however, that this cannot be taken for granted, because decentralisation will most likely only be effective if it actually enhances the opportunity for civil society to put pressure on institutions of government to perform well. This is consistent with May and Regan who argue that 'if a high value is placed on local participation and there is acceptance of the

possibility of regional diversity, decentralisation has a good chance of success.'[430] This study also highlights the need to undertake further research on the nature of social capital and government performance in PNG. Particularly for the quantitative analysis in this study the data in many cases are out of date and sometimes of doubtful accuracy. Updates of Axline's study of performance and for development indicators at the provincial level would be invaluable. In addition it would be desirable, given the problems identifying causality to direct research efforts more towards micro-level studies as suggested by Durlauf and Fafchamps. They also argue that 'there needs to be greater recognition of the limits to statistical analysis in contexts such as the evaluation of social capital... For example, sustained descriptive histories can teach us much about the ways that social structures influence individual conduct even if they are not constructed in the forms of claims about F-statistics and the like.'[431] What does seem clear from this research is that building trust across PNG society in the 'modern' government institutions, both national and provincial, is critically important. Similarly 'bridges' need to be established across ethnic divides so that social capital in PNG can be mobilised to benefit society as a whole.

Notes

[412] Premdas, R.R., op cit., p.256.
[413] Putnam, R.D., 1993, op cit.
[414] Serageldin, I., and Grootaert, C., 2000, op cit., p.45.
[415] Woolcock, M., and Narayan, D., 2000, op cit., p.227.
[416] Knack, S., 1999, op cit.
[417] Ibid., p.208.
[418] Seddon, N., 1995, op cit., p.2.
[419] May, R.J. and Regan, A.J., op cit., p.5.
[420] Ibid
[421] Durlauf, S.N., and Fafchamps, M., 2004, "Social Capital", National Bureau of Economic Research Working Paper 10485, Cambridge, M.A., p.53.
[422] Crook, R., and Manor, J., 1995, "Democratic Decentralisation and Institutional Performance: Four Asian and African Experiences Compared", *Journal of Commonwealth & Comparative Politics* 33(3), November, p.311.
[423] Putnam, R.D., 1993, op cit., p.184.
[424] Putnam, R.D., 2000, op cit., p.413.
[425] Institute of Development Studies, 1999, *Can Aid Promote Good Government?* Policy Briefing No 2, Sussex.
[426] PIANGO, op cit., p.6.
[427] Putnam, R.D., 2000. op cit., p.411.
[428] Putnam, R.D., 1993, op cit., p.184.
[429] Ibid., p.97.
[430] May, R.J., and Regan, A.J., op cit., p.4.
[431] Durlauf, S.N., and Fafchamps, M., op cit., p.54.

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APPENDIX A

Language Groups by Province

Province	No of Language Gps	Total Popn
Western	**39**	**153,304**
Yonggom		17,000
Kiwai		15,800
Gogodola		10,000
Kaeti		10,000
Awin		8,000
Faiwol		4,500
Bamu		4,400
Beami		4,200
Ninggerum		4,000
Samo-Kubo		2,900
Bine		2,000
Nambu		2,000
Pare		2,000
Suki		2,000
Boazi		1,962
Gidra		1,800
Zimakani		1,500
Gobasi		1,400
Agob		1,100
Waia		1,000
Yei		1,000
Tirio		950
Idi		900
Gizra		700
Miriam-Mir		700
Tonda		600
Aramba		602
Kauwol		500
Tao-Suamato		500
Bainapi		400
Konai		400
Mutum		400
Kamula		400
Rouku		350
Kanum		320
Agala		300
Tomu		300
Bogaya		300
Peremka		299
Gulf	**16**	**106,898**
Hamtai		40,000
Toaripi		23,000

Orokolo		13,000
Purari		7,000
Podopa		3,000
Kerewo		2,200
Ankave		1,600
Kibiri		1,100
Kairi		1,000
Angoya		900
Ivori		800
Omati		800
Morigi		700
Ikobi-Mena		650
Minanibai		300
Tate		266
Ipiko		200
Central	**25**	**183,983**
Keopara		16,423
Motu		15,000
Fuyuge		15,000
Sinagoro		12,026
Mekeo		12,000
Kunimaipa		11,000
Tauade		11,000
Nara		7,627
Hula		3,250
Koita		3,000
Kuni		2,400
Maria		2,105
Kwale		2,000
Koiari Grass		1,800
Koiali Mtn		1,700
Kabadi		1,500
Doromu		841
Doura		800
Binahari		770
Morawa		755
Anemewake		650
Domu		482
Humene		438
Bauwaki		378
Magori		200
Milne Bay	**50**	**210,412**
Dobu		108,000
Kilivila		22,000
Suau		20,795
Misma-Paneati		12,000
Tawala		10,000

Dobu		8,000
Suau		6,795
Duau		6,050
Daga		6,000
Induna		6,000
Bwaidoka		5,382
Yele		3,300
Morima		3,186
Muyuw		3,000
Wedau		3,000
Iamalele		2,800
Taupota		2,700
Maiwa		2,500
Umanakaina		2,400
Gapapaiwa		2,000
Kanasi		2,000
Tagula		2,000
Tubetube		2,000
Galeya		1,876
Boanaki		1,700
Dawawa		1,700
Sewa Bay		1,516
Bunama		1,500
Minavega		1,400
Are		1,231
Kukuya		1,230
Diodio		1,200
Wagawaga		1,165
Nimowa		1,100
Bohutu		1,065
Auhelawa		935
Igora		880
Ginuman		775
Kalokalo		722
Anuki		542
JimaJima		542
Bosilewa		350
Sinaki		326
Mapena		274
Gamasi		250
Garuwahi		225
Doga		200
Wataluma		190
Budibud		170
Mwatebu		166
Oro	**23**	**133,065**
Orokaiva		27,000
Ewage-Notu		12,000
Managalasi		5,000

Hunjara		4,300
Korafe		4,200
Binandere		3,300
Barai		3,000
Aeka		2,000
Arifima-Miniafia		2,147
Maisin		1,800
Ambasi		1,200
Gaina		1,130
Omie		1,100
Baruga		1,051
Ubir		1,000
Mawae		943
Yega		900
Yareba		750
Moikodi		571
Bariji		256
Nawaru		190
Onjab		160
Dogoro		119
Southern Highlands	**15**	**546,265**
Huli		70,000
Angal Heneng		55,000
Kewa		40,000
Wiru		15,292
Duna		11,000
Etoro		6,000
Samerigi		3,125
Foi		2,800
Bosavi		2,000
Kasua		1,200
Aimele		500
Onabasulu		433
Sonia		409
Kware		400
Fiwaga		300
Enga	**08**	**295,031**
Enga		238,000
Kyaka		15,368
Ipili		7,764
Lembena		4,000
Pinai		1,500
Nete		1,000
Wapi		1,000
Hagahai		300

Western Highlands	**12**	**440,025**
Melpa		130,000
Kangel		60,000
Wahgi		60,000
Umbo Ungu		23,000
Miyemu		23,000
Gimi		22,463
Nembi		20,000
Imbo Ungu		16,000
Nii		13,000
Maring		8,000
Narak		5,000
Kandawo		4,000
Simbu	**13**	**259,703**
Kuman		71,731
Golin		51,105
Sinasina		50,079
Chuave		23,107
Dadibi		10,000
Dom		9,832
Hakoa		6,868
Salt		6,500
Nomane		4,645
Sua		4,290
Pawaia		4,000
Kumai		3,938
Nagane		1,000
Eastern Highlands	**24**	**432,972**
Kamana-Yagaria		50,000
Asaro		30,000
Siane		25,000
Benabena		20,315
Fove		16,655
Alekano		16,103
Agarabi		16,000
Tairora		13,291
Usarufa		13,000
Gadsup		13,000
Inoke-Yate		8,000
Kanite		8,000
Awiyana		6,500
Baruya		6,000
Zuhuzuho		6,000
Simbari		3,000
Kosena		2,000

Yaweyuha		2,000
Awa		1,789
Fasu		1,200
Kenati		640
Ouwenia		349
Binumarien		300
Kambaira		135
Morobe	**94**	**539,404**
Kate		86,000
Adzera		20,675
Menya		15,000
Komba		12,235
Nabak		12,000
Timbe		11,000
Bukawa		9,694
Yagwoia		9,000
Wantoat		7,316
Burum-Mindik		7,000
Selepet		7,000
Yupna		7,000
Buang		6,666
Mumeng		6,600
Guhu-Samene		6,289
Kate		6,125
Mongi		6,000
Ono		5,400
Wampar		5,150
Mape		5,117
Dedua		5,000
Kovai/Umboi		4,500
Weri		4,163
Sio		3,500
Zia		3,400
Hote		3,000
Uri		2,500
Ampeeli-Wojokeso		2,388
Numanggang		2,274
Suena		2,272
Tobo		2,230
Mangap		2,200
Yanta		2,154
Yabim		2,084
Mindik		2,078
Mesem		1,800
Patep		1,700
Yau		1,700
Mutu		1,642
Labu		1,600
Nek		1,500

Nimi	1,381
Watut	1,223
Silisili	1,199
Kosorong	1,175
Migabac	1,050
Kela	2,145
Inal	1,500
Biangai	1,400
Irumu	1,300
Breri	1,100
Waffa	1,060
Nuk	1,009
Angaatiha	1,000
Sukurum	990
Nakama	983
Barim	915
Tami	904
Zenang	873
Nomu	807
Gusan	794
Yekora	674
Yamap	670
Sialum	642
Sauk	605
Yalu	593
Lukep	591
Wasembo	586
Kumukio	552
Ufim	550
Komutu	510
Sakam	510
Yagawak	492
Gitua	483
Finungwa	469
Unank	465
Guwot	398
Bam	393
Momare	374
Ngariawan	367
Dangal	365
Wampur	360
Nenaya	315
Siboma	270
Misim	251
Latep	220
Kinalakna	219
Weliki	200
Mamaa	198
Maralango	171
Sirak	145
Dengula	140

Musom		139
Munkip		137
Piu		130
Madang	**151**	**365,106**
Kalam		15,000
Takia		12,000
Waskia		12,000
Gende		8,000
Mikarew		8,000
Rawa		7,138
Botin		7,000
Manam		6,500
Nahu		5,400
Amele		5,300
Kobon		4,671
Girawa		4,003
Bargam		4,000
Rao		3,340
Katiati		3,286
Banaro		3,000
Tanggu		3,000
Gedaged/Bel		2,764
Sumau		2,509
Maia		2,500
Nankina		2,500
Maiani		2,496
Abu		2,400
Nobando		2,277
Arop		2,200
Garus		2,107
Borei		2,000
Kire		2,000
Mauwake		2,000
Nent		2,000
Gants		1,884
Bau		1,787
Dimir		1,700
Nokopo		1,669
Usino		1,630
Miani		1,500
Wagi		1,500
Dami		1,495
Urigina		1,404
Usan		1,400
Anjam		1,300
Ngaing		1,101
Hinihon		1,100
Andarum		1,084

Ikundun	1,047
Kamba	1,020
Haruai	1,000
Tai	1,000
Dahating	946
Koguman	943
Isebe	913
Kwato	900
Megiar	859
Kewieng	820
Midsivindi	809
Mari	806
Biliau	800
Mala	769
Abasakur	761
Aiome	751
Bosngun	717
Yaben	702
Bemal	700
Bilbil	700
Sirio	700
Musar	684
Morafa	672
Asat	659
Domung	634
Pondoma	597
Rempi	592
Saep	584
Utu	583
Osum	577
Anor	574
Awar	572
Apal	548
Wadaginin	546
Kesawai	538
Wandabong	517
Tanguat	506
Ogea	500
Bunabun	498
Sausi	495
Wanambre	489
Sinsauru	476
Duduela	469
Baimak	441
Nekgini	430
Medebur	429
Parawen	429
Sepen	428
Bongu	415
Jilim	409
Male	393

Romkun	389
Kare	384
Biyom	379
Watam	376
Yabong	370
Amaimon	366
Degenan	358
Musak	355
Tauya	347
Munit	345
Malalamai	341
Asas	333
Rapting	332
Songum	326
Kaian	322
Mebu	319
Neko	315
Sihan	314
Murupi	301
Gabutamon	302
Koliku	300
Isabi	280
Gira	275
Gumalu	271
Mawan	269
Sepa	268
Yoidik	266
Dumpu	261
Sileibi	259
Bonkiman	250
Matepi	238
Rerau	235
Roinji	227
Gal	224
Malas	220
Matukar	219
Kolom	209
Korak	205
Moresada	197
Akrukay	191
Yangulam	180
Lemio	175
Nake	173
Forak	163
Ganglau	154
Panim	152
Paynamar	150
Wab	142
Silopi	140
Yagomi	137
Wamas	135

Ukuriguma		134
Guiarak		131
Saruga		129
Pulabu		116
Danaru		115
East Sepik	**86**	**343,181**
Ambulas		44,000
Boiken Yangouru		40,000
Kwanga		13,305
Iatmul		12,000
Arapesh Southern		11,000
Arapesh Buki		10,304
Sawos		9,000
Angoram/Pondo		6,200
Kwasengen		6,008
Urat		6,000
Wom/Wam		4,885
Kaiiuru		3,507
Urim		3,200
Iwam		3,000
Kwoma		2,865
Kombio		2,545
Bungain		2,451
Arapesh Bumbita		2,353
Manambu		2,058
Bembi		1,854
Chambri		1,700
Biwat		1,642
Alamblak		1,500
Murik		1,476
Biem		1,455
Kapriman		1,450
Tabriak		1,300
Bima		1,259
Wogeo		1,237
Buna		1,205
Yessan-Mayo		1,200
Igom		1,082
Mekmek		1,038
Kyenele		1,000
Toricelli		953
Yambes		860
Aion		857
Urimo		835
Muniwara		826
Yaul		814
Kamasau		787
Arafundi		733
Gaikundi		700

Saniyo-Hiyowe		644
Miyak		548
Yambiyambi		500
Changriwa		498
Monumbo		459
Koiwat		450
Lilau		449
Nimo		413
Ama		400
Bahinemo		400
Niksek		398
Bisis		395
Eitiep		394
Yerakai		390
Amal		388
Kamnum		377
Wogamusin		368
Yimas		350
Mongol		338
Kominimung		328
Kaningra		327
Maramba		300
Sengo		300
Bitara		256
Langam		254
Bisorio		230
Yelogu		230
Kopar		229
Ouwiniga		222
Itutang		220
Kis		216
Bun		194
Chenapian		187
Mandi		162
Watakataui		160
Burui		150
Kaiep		150
Latoma		150
Elepi		149
Ngala		136
Mari		120
Igana		114
Turubu		50
Sandaun	**89**	**185,741**
Olo		12,000
Ngalum		8,000
Oksapmin		7,000
Abau Arapesh		5,000
Au		5,000

Sissano-Arop	4,866
Telefol	4,800
Abau	4,545
Mehek	4,027
Amanab	4,000
Edawapi	3,800
Namia	3,500
Malol	3,330
Tifal	3,200
Wamsak/Mende	3,180
Warapu	2,991
Anggor	2,565
Aunalei	2,206
Kilmeri	2,200
Mianmin	2,200
Waris	2,160
Hewa	2,147
Yili	2,134
Yakamul/Ali	2,118
Bimin	2,000
Dia	1,880
Arinua	1,872
Fas	1,597
Makarim	1,500
Beli	1,453
Elkei	1,427
Vanimo	1,395
Suain	1,369
Karkar-Yuri	1,200
Yahang	1,182
Pagi	1,100
Sowanda	1,100
Gnau	980
Kwomtari	900
Kalou	820
Aiku	819
Wanap	769
Suganga	700
Valman	700
Kamberataro	687
Tumeleo	675
Agi	670
Arüek	614
Yade	600
Pahi	578
Wiaki	561
Yauan	550
Laeko-Libuat	538
Ningil	525
Bouye	520
Rawo	506

Yis		489
Mitang		484
Biaka		454
Sera		432
Wutung		410
Urapmin		394
Awun		384
Puari		371
Krisa		347
Bragat		335
Arop		330
Busa		307
Rocky Peak		275
Baibai		271
Simog		270
Siliput		263
Ningera		250
Amto		230
Pei		208
Sinagen		208
Setaman		200
Umeda		200
Bo/Po		175
Pasi		161
Seta		155
Suarmin		145
Walio		142
Yau		140
Daonda		135
Alatil		125
Tuwari		122
Seti		113
Ainbai		110
Manus	**29**	**43,387**
Lindrou		3,000
Titan		2,400
Kurti		2,300
Nali		1,800
Bohuai		1,400
Lele		1,300
Levei-Ndrehet		1,160
Baluan-Pam		1,000
Wuvulu-Aua		1,000
Pak-Tong		970
Andra-Hus		810
Leipon		650
Seimat		600
Lou		600

Kele		600
Sori-Harengan		570
Penchal		550
Bipi		530
Papitalai		520
Loniu		460
Ponam		420
Koro		400
Mondropolon		300
Nane		300
Lenkau		250
Elu		216
Okro		200
Mokerang		200
Nauna		130
New Ireland	**18**	**118,350**
Tungak		10,000
Lihir		6,000
Tigak		6,000
Patpatar		6,000
Tangga		4,976
Kara		4,800
Mussau		3,651
Mandak		3,000
Sursurunga		3,000
Nalik		2,618
Mandara		2,500
Siar		2,500
Barok		1,878
Notsi		1,600
Lavatbura-Lamusong		1,308
Kuot		1,000
Konomala		800
Tiang		791
Kandas		480
East New Britain	**11**	**220,133**
Kuanua		80,000
Ramoaaina		8,600
Mengen		8,400
Baining		6,000
Mamusi		6,000
Uvol		4,200
Kol		4,000
Sulka		1,900
Gaktai		1,000
Taulil-Butam		826
Tomoip		700

West New Britain	**28**	**184,508**
Nakanai		13,000
Bali-Vitu		8,718
Bola		7,533
Avau		6,000
Kaliai		5,625
Maleu-Kilenge		5,000
Gimi		3,697
Kaulong		3,000
Kove		3,000
Arove		2,200
Pulie-Rauto		2,000
Pele-Ata		1,900
Meramera		1,561
Bariai		1,500
Mangsing		1,500
Harua		1,339
Aria		1,165
Bao		1,105
Bebeli		1,050
Lamogai		1,000
Akolet		954
Lesing-Atui		929
Ere		800
Mok		626
Bulu		566
Anem		500
Sengseng		453
Miu		394
Bougainville	**25**	**175,160**
Buin		18,000
Nissan		15,000
Halia		14,000
Nasioi		10,000
Petats		10,000
Siwai		7,200
Teop		5,000
Nagovisi		5,000
Rotokas		4,320
Tinputz		3,900
Solos		3,200
Kunua		2,500
Koomira		1,562
Hahon		1,300
Eivo		1,200
Saposa		1,200

Uisai	1.060
Banoni	1,000
Keriaka	1.000
Torau	605
Nagarige	550
Takuu	250
Nuguria	200
Nukumanu	200
Papapana	150

Source: Nekitel, O. 1998, *Voices of Yesterday, Today and Tomorrow: Language, Culture and Identity,* UBS Publishers, New Delhi.

APPENDIX B

Provincial Abbreviations Used in Scattergrams

Abbreviation	Province
West	Western
Gulf	Gulf
Cent	Central
MBay	Milne Bay
Oro	Oro
SHP	Southern Highlands
Enga	Enga
WHP	Western Highlands
Smb	Simbu
EHP	Eastern Highlands
Mor	Morobe
Mad	Madang
ESep	East Sepik
Sand	Sandaun
Man	Manus
NIP	New Ireland
ENB	East New Britain
WNB	West New Britain
Boug	Bougainville

APPENDIX C

Development Level Social Indicators

- Population density (includes non-citizens)
- Sex ratio
- Youth dependency ratio
- Aged dependency ratio
- Total dependency ratio 1
- Total dependency ratio 2
- Child-women ratio 1
- Child-women ratio 2
- Non-citizens per 1,000 population
- Average distance to nearest town
- Per cent population in the rural non-village sector
- Per cent urban (includes non-citizens)
- Intra-provincial in-migration rate
- Inter-provincial in-migration rate
- Per cent population 10 years + in wage employment
- Females as a percentage of all wage workers
- Per cent population 10 years + farming and fishing for food/money.
- Per cent population 10 years + in big or small-scale business.
- Per cent population 10 years + farming and fishing for subsistence
- Per cent population 10 years + unemployed/underemployed
- Economic dependency ratio
- Per cent at school of the total enumerated population 5-25 years
- Per cent not at school aged 25+ with no education
- Per cent not at school who have completed grade 6
- Per cent males aged 7-12 enrolled in school
- Per cent females aged 7-12 enrolled in school.
- Health centre or aid post less than 1 hour away (per cent within threshold)
- Primary drinking water source less than 15 minutes away (per cent within threshold)
- Community school less than 1 hour away
- Road less than one hour away
- Community Health Nursing Services – per cent coverage of children aged 0-4.
- Community Health Nursing Services – per cent antenatal coverage.

Source: de Albequerque, K and D'sa, E. 1986, *Spatial Inequalities in Papua New Guinea: A District Level Analysis,* Institute of Applied Social and Economic Research Discussion Paper No 49, Port Moresby.

Appendix D

District Rankings: ANU Land Management Group

Province name	District name	Land potential	Agricultural pressure	Access to services	Income	Child malnutrition	Index of disadvantaged districts	Rank
Madang	Middle Ramu	2	5	2	1	1	11	1
Sandaun	Telefomin	2	5	1	1	2	11	1
Enga	Kandep	2	2	3	2	3	12	3
East New Britain	Pomio	2	5	2	1	2	12	3
Madang	Usino-Bundi	2	5	2	1	2	12	3
Morobe	Finschhafen	2	5	3	1	2	13	6
Enga	Kompiam-Ambum	2	3	3	2	3	13	6
Southern Highlands	Koroba-Lake Kopiago	2	5	2	1	3	13	6
Enga	Lagaip-Porgera	2	3	4	1	3	13	6
Morobe	Menyamya	2	5	3	1	2	13	6
Southern Highlands	Nipa-Kutubu	2	3	4	1	3	13	6
Western	North Fly	2	5	3	1	2	13	6
Madang	Rai Coast	2	5	3	1	2	13	6
Milne Bay	Alotau	3	5	2	2	2	14	14
Central	Goilala	2	5	3	2	2	14	14
Western Highlands	Jimi	2	5	2	2	3	14	14
Simbu	Kundiawa	2	3	4	1	4	14	14
Southern Highlands	Mendi	3	3	4	1	3	14	14
Central	Rigo	2	4	4	1	3	14	14
Sandaun	Vanimo-Green River	4	5	2	1	2	14	14
East Sepik	Angoram	2	5	3	2	3	15	21
Morobe	Kabwum	2	5	3	3	2	15	21
Southern Highlands	Kagua-Erave	2	5	4	1	3	15	21
Central	Kairuku-Hiri	2	3	4	3	3	15	21
West New Britain	Kandrian-Gloucester	3	5	2	1	4	15	21
Gulf	Kerema	2	5	3	3	2	15	21

Milne Bay	Kiriwina-Goodenough	3	4	3	3	2	15	21
Southern Highlands	Komo-Margarima	3	4	3	1	4	15	21
Western	Middle Fly	3	5	3	1	3	15	21
Morobe	Nawae	2	5	3	2	3	15	21
Sandaun	Nuku	5	5	3	1	1	15	21
Eastern Highlands	Obura-Wonenara	2	5	3	3	2	15	21
Milne Bay	Samarai-Murua	3	5	3	2	2	15	21
Simbu	Sina-Sina-Yonggamugl	2	3	4	2	4	15	21
Western	South Fly	2	5	3	2	3	15	21
Morobe	Tewai-Siassi	3	5	3	1	3	15	21
Sandaun	Aitape-Lumi	4	5	3	1	3	16	37
East Sepik	Ambunti-Dreikikir	4	5	3	2	2	16	37
Madang	Bogia	3	5	3	2	3	16	37
Milne Bay	Esa'ala	4	5	3	2	2	16	37
Simbu	Karimui-Nomane	2	5	3	2	4	16	37
Gulf	Kikori	2	5	3	3	3	16	37
Eastern Highlands	Okapa	3	5	3	3	2	16	37
Bougainville	South Bougainville	3	3	3	3	4	16	37
Southern Highlands	Tari	4	5	3	1	3	16	37
East Sepik	Wewak	3	5	3	2	3	16	37
Central	Abau	3	5	4	2	3	17	47
Simbu	Gumine	3	4	4	2	4	17	47
Eastern Highlands	Henganofi	2	3	4	4	4	17	47
Morobe	Huon Gulf	2	5	3	3	4	17	47
Oro	Ijivitari	3	5	3	2	4	17	47
Eastern Highlands	Kainantu	2	3	4	4	4	17	47
Morobe	Bulolo	3	5	4	3	3	18	53
Simbu	Chuave	3	5	4	2	4	18	53
Southern Highlands	Ialibu-Pangia	3	5	3	3	4	18	53
Southern Highlands	Imbonggu	4	5	4	1	4	18	53
Eastern Highlands	Lufa	3	5	4	2	4	18	53
Madang	Madang	3	5	4	3	3	18	53
East Sepik	Maprik	4	5	4	3	2	18	53

Enga	Wabag	3	4	4	3	4	18	53
East Sepik	Wosera-Gaui	5	5	4	2	2	18	53
East Sepik	Yangoru-Saussia	4	5	4	2	3	18	53
Bougainville	Central Bougainville	4	5	4	2	4	19	63
New Ireland	Kavieng	3	5	4	4	3	19	63
Manus	Manus	3	5	3	4	4	19	63
Morobe	Markham	3	5	4	5	2	19	63
New Ireland	Namatanai	3	5	3	4	4	19	63
Madang	Sumkar	5	5	3	4	2	19	63
Western Highlands	Baiyer-Mul	4	5	4	2	5	20	69
West New Britain	Talasea	3	4	4	4	5	20	69
Oro	Sohe	5	5	4	4	3	21	71
Eastern Highlands	Unggai-Bena	3	5	4	4	5	21	71
Western Highlands	Angalimp-South Wahgi	5	5	4	4	4	22	73
Eastern Highlands	Daulo	3	5	5	4	5	22	73
Simbu	Kerowagi	5	5	4	4	4	22	73
Bougainville	North Bougainville	5	5	4	4	4	22	73
Western Highlands	Tambul-Nebilyer	5	5	4	3	5	22	73
Enga	Wapenamanda	5	5	4	3	5	22	73
Western Highlands	Dei	5	5	5	4	5	23	79
Western Highlands	North Wahgi	5	5	4	4	5	23	79
Eastern Highlands	Goroka	5	5	5	4	5	24	81
Western Highlands	Hagen	5	5	5	4	5	24	81
East New Britain	Kokopo	5	5	5	5	4	24	81
East New Britain	Rabaul	5	5	5	5	4	24	81
East New Britain	Gazelle	5	5	5	5	5	25	85

APPENDIX E

List of Political Parties: Election 2002

	Party Name	Abbreviation	No of Candidates
1.	Papua and Nuigini Union Party	PANGU	78
2.	Advance PNG Party	APNGP	36
3.	Christian Democratic Party	CDP	33
4.	Melanesian Alliance Party	MAP	23
5.	National Alliance Party	NA	83
6.	Nation Transformation Party	NTP	60
7.	National Vision for Humanity Party	NVHP	57
8.	PNG Country Party	PNGCP	59
9.	People's Action Party	PAP	68
10.	People's Democratic Movement	PDM	87
11.	People's Progress Party	PPP	80
12.	PNG National Party	PNGNP	57
13.	Rural Pipol's Pati	RPP	30
14.	Simple People's Party	SPP	34
15.	True People's Party	TPP	32
16.	United Party	UP	56
17.	People's National Congress	PNCP	37
18.	PNG First Party	PNGFP	13
19.	PNG Labour Party	PNGLP	65
20.	People's Labour Party	PLP	81
21.	People's Solidarity Party	PSP	32
22.	Liberal Party	LP	12
23.	United Resources Party	URP	14
24.	People's Freedom Party	PFP	15
25.	Pipol First Party	PFP	24
26.	Human Rights Protection Party	HRPP	6
27.	Melanesian Labour Party	MLP	25
28.	PNG Greens Party	PNGGP	25
29.	People's Welfare Party	PWP	9
30.	PNG Integrity Party	PNGIP	25
31.	Yumi Reform Party	YRP	34
32.	One People Party	OPP	6
33.	People's Development Party	PDP	32
34.	Party for Justice and Dignity	PJD	6
35.	PNG Revival Party	PNGRP	56
36.	People's Destiny and Development Party	PDDP	28
37.	People's Heritage Party	PHP	24
38.	National Front Party	NFP	30
39.	Economic Endeavour Party	EEP	29
40.	Pan Melanesian Congress Party	PMCP	41

41.	People's Resource Awareness Party	PRAP	14
42.	Melanesian People's Party	MPP	63
43.	People's First Conservative Party	PFCP	9
44.	Independents	IND	1247
TOTAL CANDIDATES			**2875**

Source: PNG Electoral Commission 2002

APPENDIX F

List of 2002 Election Candidates

EAST NEW BRITAIN

East New Britain Provincial

Leo Dion	National Alliance
Delmah Boden	PNG Country Party
Albert Burua	People's Progress Party
Oscar Pitar	Independent
Pius Patrick Kosa	Pan Melanesian
James Agi	Peoples Democratic
Martin Ulalom	Independent
Henry D Bobut	NVHP

Gazelle Open

James M Anjo	People's Labour Party
Sinai Brown	National Alliance
Norbert Kubak	People's Progress Party
Jack Sion	People's Action Party
John Rarau	Independent
Isaac Wartovo	Independent
Thomas Kalas	Independent
Henry Ningo	PDM
Elly Kinkin	Independent

Kokopo Open

Joe Ben Kuini	Independent
Patrick Tamur	Independent
Benjamin Amen Talai	Independent
Rabbie L Namaliu	PANGU
Kelly Lyein	Independent
Ephraim Mararang Daula	Melanesian People's Party
Ellison Okole	People's Progress Party
John Robin T	PDM
Leslie L Maneo	Independent
Onias T Tomano	Independent

Pomio Open

Koimanrea Francis	PDM
Tiensten Paul	People's Progress Party
Leo Nicholas	Independent
Komtagarea Michael	People's Labour party
Levi Silu Orong	Advance PNG Party
Thomas Gerry Iekenta	People's Action Party
Paisparea Michael	PANGU

Rabaul Open

John Kaputin	Independent
Robin Henry Minding	Independent
John Topeono	Independent
Thomas Tobunbon	PANGU
Kachialau Pondrilei Francis	Independent
Paulias Nelson Eddie	National Alliance
Papat Robin	NVHP
Allan Marat	People's Progress Party

EASTERN HIGHLANDS

Eastern Highlands Provincial

Soti Aizo Sihuvo	MPP
Ori Beka Sasakila	Independent
Kawak Katunu	Independent
Jacob Boii Orona	Independent
Malcolm Smith Kela	Independent
Stanley Harry Gotaha	Advance PNG Party
Dick Steven	Independent
Tony Fova	National Front Party
Joshua Onio	Independent
Dekot Koki	Independent
Domonic Nema	Independent
Ken Raisman Kanafo	True Peoples Party
Dufe Tivai	Independent
Tonny Yogiyo	PNG Country Party
Peti Lafanama	Independent
Julie Soso Akeke	People's Labour Party
Apo Mathias	People's Progress Party
Mono Ata Sasakila	Independent
Oko Normi Tofunama	Independent
Jack J Suao	PNG Labour Party
James Moliki	Independent
Joe Joke Fokate	Independent
Kopi Kabao	HRPP
Barra Amevo	Nation Transformation Party
James B Kurun	Independent
Samuel Si'I	Independent

Daulo Open

Rober U Kasagutehe	Independent
Paul Mania Mana	Independent
Mondawe Wobo	People's Progress Party
Tirin Gimiho Ohumane	Independent
Gomane Sapovo	Independent

Ben Morere Kiagi	United Party
Koima Harry M	Independent
Michael Loru	Melanesian People's Party
Ferdinand Moruwo Nalle	Pipol First Party
Norrie Norihane Bomai	Independent
Levi Yuai Kurakipa	People's Heritage Party
Pias Gandi Warima	PNG Labour Party
Benny Wally Ghabiliha	Christian Democratic Party
Peter Duwe Dumba	People's Action Party
John Brown Mokonawal	PANGU
Tony Ombo	Independent
Mande Samuel Sirifave	Economic Endeavour Party
Timothy Gena Mui	Independent
Gigive Joseph Ombo	Independent
William Kenderiso	Independent
Robyn Belari Nenda	Advance PNG Party
Samson John Namo	PNG Revival Party
Henry Bagme Dua	People's Welfare Party
James Mobie Genaboro	PANGU
Sinake Giregire	PNG Country Party
Billy Sasone Gale	Independent
Atuwara Lundowe Momba	Independent
Paul Gahare Akus	Independent
Yange Karre	National Alliance
August Kambrifo	People's labour Party
John Hiove Kindinive	Independent
Daniel Afuti Andava	Yumi Reform Party
Norman Mas	Nation Transformation Party
William Kennedy Lunefa	PRAP
Rong Ganarafo	PDM
Steven Yaila Lango Aiglas	PNG Integrity Party
Sari Inaho	Independent
Ekime Mek Gorosahu	Melanesian Alliance
John Kawage Gahare	People's Solidarity Party
Simon Guri	Independent
Jimmy Rende	PMCP

Goroka Open

Himony Tom Lapiso	Independent
Maus Sehuko Huve	Independent
Johnson Luhuvae	Independent
John Kokote Homine	Independent
Petros Lapiso	People's Labour Party
Leslie Hoffman Aize	NVHP
Joe Komba	True People's Party
Pale Siwosawo	People's Welfare Party
Bob Urakusie	PNG Country Party
Jack Gopave	National Alliance
Amos Kindino Morokoro	People's Progress Party
Alphones Popek Mathew	Independent

Allen Oiyabo	Independent
John Blacky Tele	PANGU
Michael Gotaha	Independent
Albert Akapite Wamiri	Independent
Pati Autha Herivi	Independent
Robert Goihae	Pipol First Party
Jimmy Hagove Akeke	Christian Democratic Party
Ronald Gesigonimo Napitalai	Independent
Ivan Gore	Independent
Henry Ninzo	Independent
Mairave Reynolds Oboti	Melanesian People's Party
Bire Kimisopa	United Party
Mark Gozapao	Independent
Huk Hukoro Awute	PMCP
Thompson Wilson Orlegge	Independent
Samson Walizopa	Independent
Gatapo Paone	Independent
David Lulume Hasu	Independent
Henry Iyapo Smith	PDM
Peter Crutchy Asuo	Melanesian Alliance Party
George Herepe	National Front Party
Jack Gahe	People's Heritage Party
Blackie Hative	Independent
Jack Jacob	Independent
Mathias Ijape	PANGU
Eric Inamuga	Independent
James Gomae	Independent
Ben Kua Noel	Independent
Enoch Nupalivi Mie	Independent

Henganofi Open

Tota Bahanare Bun	Christian Democrat Party
Viviso Seravo	PDM
Tony E Seyao	Independent
Kansol Petrus Mosa	Independent
Billy Yukere	PANGU
Anton Krahive Ruzape	Independent
Terry Kajona Okava	PNG Labour Party
Sirumpa Ohi Akueva	People's Development Party
Smith Hanikampa Hagawa	Independent
Marerime Kafe Forereme	People's Progress Party
Andrew Sufie	Independent
Montee Akike	National Alliance
Philip R Namaruremba	PNG Country Party
Peter Okka	Independent
Eron Hangunampa	United Party
Ako Arito Onnise	Independent
Moare Binefa Prihume	PMCP
Robert Atiyafa	Independent
John Giheno	PANGU

Kafe Kopi	People's Labour Party
Stena James Korarome	Independent
Paul Kila Yate	NVHP
Peterson K Apore	National Front
Danny Fezamo	PNG Revival Party
Hisile Monue	PDDP

Kainantu Open

Eric Hinome	Independent
Tom Haga Mokupe	Christian Democratic Party
Kias Timere Inape	Independent
Mimo Kanare	Independent
Maik Loya Karu	Independent
Tony Agoname	Independent
Kops Kopito Nepher	Independent
Bruce Boina	Independent
Peti Sanap Kazami	Independent
Jeffery Philip	People's Action Party
Mila Kareo	Economic Endeavour Party
Jorifa Yubiko	Independent
Kevin Oya	Independent
Bikus Lazuta Kako	PNG Revival Party
Avusi Tanao	Independent
Yassi Tifati	Pipol First Party
Jimmy Sovo Joamo	People's Progress Party
William Hagahuno	Melanesian People's Party
Greg Sinopa	PANGU
Susan T Mati	Yumi Reform Party
Simon Forofo	Rural Pipol's Party
Kings Ave Serave	Independent
Sai-Sailon Besseoh	Independent
Robert Pamao	Independent
Yumtuvi Bao	People's Labour Party
Jocabeth Kunkunke	People's Welfare Party
Robert Masahume Waure	PNG Country party
Henry Ayomata	National Transformation Party
Billy Pintari	Independent
Afito Unero	Independent
Tonny Avaho Tamari	Independent
Baki Reipa	United Party
Aibis Karakume Ottu	People's Development Party
Lawson Aiso	People's Solidarity Party
George Naki	Independent
Trexy Koi Nakime	PDDP
Simon Anu Barai	Independent
John Notto Hureka	Independent
Michael Sesina Kapinu	Independent
Morris Tatufa Risepe	Independent
Johnson Tuke Ibo	True People's Party

Lufa Open

Justin Yassi Akonari	Independent
Eddie Edward Mike	PMPC
Kevin Agoyabo Kavagenia	Independent
Jeremiah Vakimwah Bakuta	Independent
Dick Kieguto Botume	Independent
Kanera Efu	NTP
Ikisingke Onafimo	MLP
Willie Ireva Fagino Benavepa	Independent
Rueben Siani Unavi	Independent
Jacob Lekupe	PNG Labour Party
Warekec Vile Luakumo	PDP
Ellen C Hamena	Independent
Benny Ovo Asamole	Advance PNG Party
Dorry Sunavi Otio	Independent
Yawa Silupa	National Alliance
Francis Wayamo	PANGU
Mathias Karani	PDM
Rex Buwa Agumagu	Peoples National Congress
John Unavi Koi	EEP
Jerry Kavori	PSP
Tralla B Pupuna Aruno	Peoples Progress Party
Ugi Kingsley Aramia	Independent

Obura-Wonenara Open

Aron Tisa Pano	Independent
Keron Tane Meswa	Independent
Jack Woweyaka	NTP
Anna Darua	PANGU
Ken Tobiana	Independent
Raymond Asee Ipahoi	Independent
John Tasopi Awate	PNGIP
Igitava Yoviga	Independent
Dio Kano	Advance PNG Party
Titus Gavadai Pameko	NVHP
Taiho Naakia Surua	Independent
John Berao	Independent
John Koigiri	PSP
Charlie Tulie Bray	PNG Country Party
John Havarika Boito	UP
Michael L Mosia Weompa	PNGRP
Tim Teta Tuma	Independent
Kiabu Auwato	HRPP
Puambu Bahi	People's Labour Party
Jinos Seno Bavio Matui	PHP
Yapuna Kaso	PNG Labour Party
Donald Dono Nia	People's Progress Party
Kollen Tirori Upa	Independent
Boha Baira	Independent

Henry Kivi	Independent
Joe Sahui Bumbandy	MPP
Mathias Arumba	People's Action Party
Muki Samuel Taranupi	PDM
Peter Papa Gaige	PNG National Party
David Tintao Kaiku	TPP

Okapa Open

Frank Fikena	Independent
Bayau B Malie	TPP
Yokina Joe Monave	Independent
Nosi Yosa Kari	National Alliance
Timothy Obuva	Independent
David Aurika	Independent
Okua Yasina	MPP
Korak Korae Yasona	PDM
Jondally Yane	Independent
Aita Ivarato	National Front
Allan Ilakuwayo	Independent
Noel Monde	People's Labour Party
Amos Olake Namani	Independent
Job Hodimi	PNG Country Party
Philip Pairen Tandagu	URP
Wato Maive Avinaga	Independent
Jerry Kusa	EEP
Lawrance P Oentuma	Advance PNG Party
Abe Wainama	Independent
Ovavo Oriva Iki	United party
Willie Kemi	Independent
Abundi Ende	Independent
Terry Ugi Isagimo	SPP
Castan Marbo Maibawa	Independent
Jonah Enoch Yabakasu	Independent
Felix Wakire Kauvianda	RPP
Peter Malo	Independent
Rex Pakoro Igimo	PNG Labour Party
Opi Otulamo Hahato	HRPP
Pais Yebure Paiya	NTP
Russell Keller Aiso	People's Progress party
Benjamin Benun Kabulo	PDDP
Robert Aneavu	Independent
Robert Osa	Independent
Oscar Kosindo Kapi	Independent
Bonny Oveyara	PANGU
Peter Asada Umoro	PWP
Peter Akori Kivi	Independent
Terry Huo'o Umolo	PMCP
Paruku Joel Kia	Independent
Tom Amukele	PFP
Nosare Maika Eno Imao	PHP

Waya Babona Masogopi	PNGFP
Aiso Omuga Kepi	People's national Congress
Joseph Bibeli Koko	PNGRP
Wevin Hofa Seiyu	PNG National Party
Layman Julius Ozena	NVHP
Menu Fessma Tairo	Independent
Erie Ovako Juvire	Independent

Unggai-Bena Open

Babe Hue Yabi Lesa	NTP
Papaso Ivefa	United Party
Oscar Okesa Oksap	PMCP
Naomi Lolu Rumbia	Independent
Robin Ugere Oruda	Independent
Apaso Winch Lee Oibotee	Independent
Momoto Bobby Sogavo	MPP
Francis Mipomofa	Independent
Tella Bundiloe Loie	Independent
Malo Keniafa	Independent
Tau Tute Farokave	TPP
Jeff Baiyer Jacko	Independent
Nicky Sio Lopafae	Independent
Davis Umeri Gunurei	People's National Congress
Samuel Isove Lio	People's Labour Party
Michael Galem Gofi	CDP
Hagen Mogonitopa	Independent
Kevin Masive	Independent
Benny Tipot Allan	Independent
Phillip Lomutopa	Independent
Holu Kepsy	Independent
Tius John Sepeyae	PDDP
Kelly Tulip Inae	MLP
Benais Sabumei	PNG National Party
Abe Kanakoe	Independent
Lawrence Acanufa	PSP
James Melegepa	Independent
Lobuna Umanda	Independent
Mossman Hofunugupa Uvovo	Independent
Tom W Moliki	People's Progress Party
Martin Seve	PNG Labour Party
Walter Inagafa	PRAP
Nigel Moriki Hune	PWP
John Ekapa Tonny	Independent
Wesley Bire	Independent
Andrew Otacave Lelemitoe	Independent
Nelson Sabumei	Independent
Kiatro Abisinito	Independent
Peter Avoreke Kare	Independent
Ark Auwo Ketauwo	Independent
Harry Amakure Landu	Independent

Jacob Nagamisovo	PFP
Damson Lafana	PDM
Sogerifa Kelly Lutogo.	PNG Country party

GULF

Gulf Provincial

Aiki Hamora	NVHP
George Lori	EEP
Abel Koivi	PNGRP
Tolao Putu	PDDP
Ope Oeaka	Independent
Lemek Kum	People's Action Party
Havila Kavo	People's National Congress
Elijah Timothy	People's Labour Party
Celcius Kose	National Alliance
Haro Sarufa	YRP
Memafu Malara	Independent
Mark	Independent
Joe Dodobai	Independent
Fred Airi	MPP
Jacob Kairi	Independent
Simon I Kendolo	PNGFP
To'ope Loki Ivora	PFRP
Philip Sivi Oaveu	People's Progress Party
Haha Feareka	PNGIP
Daniel Kake Meara	Independent
Joseph Kariko Meata	PNG Labour Party
John Toivita	Independent
Tete Keko	Independent
Robin Koeakera Heoeahiki Lavuru	MLP
Mu Reareka	Independent
Maea Ita Emui Kaumi	Independent
Evera Meakoro	PNG Country Party
John T Poha	PFCP
Christopher Seseve Haiveta	PANGU
Joe Ehava Karava	Independent
Gabriel Sivi Maroa	Independent

Kerema Open

Albert Kose Milala	Independent
Eric Parapa	Independent
Lalatute Avosa Saea	MAP
Harry Bitmead Moroko	PNGRP
Marcellus Tiomdi Winaio	United Party
Philip Ipiona	Independent
Konsie Kovitoru Larea	MLP
Greg Ivosa	Independent
Camilo K Ekari	Independent

Sarea Soi	PDM
Kei Karava Haiveta	Independent
Thaddeus Ehava Seoka	NFP
Lama Haia	PRAP
A'aron Noaio	PSP
Joseph Mangabi	Independent
John Haromairi	PNGIP
Joe Mando Turia	Independent
Dan Fareapo Maravila	Independent
David Lari Oaseoka	Independent
Michael Maki Maera	Independent
Jack T Narrie	Independent
Peter Mero Eka	People's Progress Party
Pitom Titus Bombom	PNGFP
Howard Pouta	Independent
Sivore Lakou	PFCP
Roddy Hilla Koaru	EEP
Dm Samson Torreys Maora	PDP
Adamson Yavako	Independent
David L Memafu	Independent
Ekis Ropenu	People's Labour Party
Rodney Horou Tom	NTP
Joseph Morehari Maroa	SPP
Joel Steven Nawi Paitho	Independent
Lei Lokoloko	Independent
Charlie Sari Moi	People's National Congress
Edward Evoa Sarufa	Independent
Hasu Tore Lokoloko	Independent
Tom Koraea	PANGU
Japhet Kaiae Itaupe	MPP
Joseph Kaivauka Maroa	YRP
Meakoro Opa	Independent
Allan Auharai Fae	Independent
Hosea Anpainat	Independent
Mathew Donaipa	Independent
Sari Maso	National Alliance
Tony Auvita	URP
Polmek Akika	Independent
Priscilla Opa Kare	PNG Labour Party
Peter Oakiva Lei	PNGGP
Samuel Yuwi Kamiaeto	People's Action Party
Jackson W Pari	Independent
Ivan Hullah	LP

Kikori Open

Mark Ivi Maipakai	People's Progress Party
Esara Alberts Kerut	Independent
Thomas Kekeao	Independent
Peter Bauo Koiviapa	Independent
Harry H Omohae	National Alliance

Aukiri Airia	NTP
Allan Ebu Marai	People's Labour Party
John Haro Koia	EEP
Samuel Kaii	PFCP
Aumari Omae	PNG Labour Party
John Eipe Maruru	Independent
Akai Kairi	Independent
Memehere Memehere	PRAP
Evara Horepa	People's Action Party
Ridler Dorobe Kimave	PANGU
Roy Evara	PSP
Michael Korah	MPP
Kevin Kevau Ivape	PNGFP
Isaac Morimai	PNGRP
Daniel Kairi Mailau	Independent
Jeffery Kaipu Vaieke	People's National Congress
Prosey K Mailau	Independent
Jimmy Kinobu	Independent

Source: PNG Electoral Commission 2002